Europe Sizes Up U. S. Programme Page 6 *Nira Campaign Strikes Snags* Page 1

LARGEST CIRCULATION OF ANY CANADIAN FINANCIAL PAPER

THE FINANCIAL POST

The Canadian Newspaper for Business Men and Investors

CANADIAN MINING NEWS DEPARTMENT ON PAGE 14

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The Nation's Business

Canada Should Borrow at Home
Canadian Payment for Our Loans
Trent Valley Racket
Weekly Newspapers and Their Policies

Borrowing in Canadian Dollars

CANADA has just borrowed £15,000,000 payable in sterling. The point again arises as to whether the Dominion, when borrowing, should not contract to repay the debt in Canadian dollars, instead of in pounds or in United States dollars.

The difficulty the Dominion and, to a greater extent, other Canadian debtors have had with loans payable in foreign currencies is that they don't know what they owe.

On the other hand, the British investor, if he buys a Canadian dollar bond, does not know how much he has invested as the capital value of his investment will fluctuate with exchange rates.

The problem of bonds made payable in a non-domestic currency is to determine which party to the transaction is to assume the speculative risk of exchange fluctuations. If the borrower assumes it, by issuing bonds in a currency not his own, he can borrow cheaply. If the investor assumes it, he wants a slightly higher interest rate to compensate for the risk involved.

* * *

BOTH the United States and Great Britain have established the policy of paying their debt in their domestic currencies. Where they have strayed from this policy in recent years trouble has ensued. The British, for instance, are now trying to convert their only gold dollar bonds into sterling bonds, and have been criticized for the attempt. In the United States, the gold clause, which was an attempt to overcome fluctuating exchanges, has been dishonored. Both nations would have been better off to have avoided these gold agreements. Canada would be better off to avoid contracts to pay in other currencies than Canadian dollars.

It would cost the Dominion more to borrow money, if the Canadian dollar were specified as payment for bonds. But even this would have advantages. It would have a tendency to keep the Government from borrowing and spending more than it can borrow at home, where there would be no difficulty over exchange rates.

The borrowing policy of the Dominion Government should be to borrow as little as possible outside Canada, and when it does borrow to insist on the privilege of paying in Canadian dollars. Then we would know what we would have to pay.

Investment bankers are inclined to feel that such a policy would be impractical. It is true that investors abroad would have to be educated to acceptance of Canadian payment bonds. But the sooner we start the process of education the better. British and foreign investors will buy our bonds, even if payable only in Canadian dollars or their equivalent, so long as they have faith in the Canadian dollar. This faith can be engendered by sound policies of national finance.

* * *

Making Canada Safe for Investing

VISITORS to London at the present time learn that Canada stands very high in the estimation of London financial houses and British investors. The new Canadian loan will strengthen this feeling of high regard. The view is frequently heard expressed over there that Canadian securities have come through the depression at least as well as those of any other country and considerable admiration is voiced for the manner in which Canada has grappled with some of its major economic problems. Now that the British pound is again selling at around parity in Canada it becomes profitable for the Englishman to send his money to this country for investment and it may indeed be that in the near future, when the treasury relaxes its re-

(Continued on page 2, col. 3)

Current Opinion

"Public ownership is suffering from that historical weakness of mankind that those who are given powers of administration eventually believe the powers to be their own. The vast public ownership enterprise, Hydro, has been dragged through the quagmire of party politics. Charges have been made that remain unanswered to the satisfaction of the public. There should be a full and complete investigation, in the best interests of the people and the principle of public ownership."—*R. J. Scott, President, United Farmers of Ontario.*

POWER CORP. SEEKS TO CUT CAPITAL SUM

Write Down Common $12,973,375 Take Care of Losses

NO BANK LOANS

Retire Over $400,000 of Debentures in Past Year — No Report on Earnings

From Our Own Correspondent

MONTREAL.—Power Corp. of Canada, controlling or holding a substantial interest in a number of the major Canadian utility properties, proposes cutting its capital by $12,973,375.

This sum will be used by the company to write down securities in its portfolio in order that they may approximate market values.

It will be recalled that in June last year shareholders approved By-law "F," the purport of which was to create a depreciation reserve of $13,500,000 by reducing the capital through the medium of a distributable surplus.

Vote New By-law

This method did not meet with the approval of the Secretary of State and another meeting has been called for August 25, when shareholders will be asked to repeal By-law "F" and pass By-law "G" which provides for writing down the capital.

At present Power Corp. has an authorized capital stock consisting of $50,000 first cumulative 6 per cent preferred shares of the par value of $100 each. These shares are now outstanding and fully paid up. There are also 100,000 non-cumulative 6 per cent participating preferred shares of the par value of $50, also fully-paid up and issued. In addition there is authorized 1,000,000 shares of no par value common stock, of which 446,153 shares have been issued for a consideration amounting to $17,973,375. The aggregate paid-up capital of the company, therefore, amounts to $27,973,375.

Take Care of Loss

Inasmuch as $12,973,375 of the capital is lost or unrepresented by available assets, the management is now asking the shareholders to reduce the capital represented by the issued common shares from $17,973,375 to $5,000,000.

At the end of the 1932 fiscal year, June 30, Power Corp.'s balance sheet showed total assets of $43,592,647. The book value of investments amounted to $43,170,355. The market, or fair value, of these investments was $21,783,860 less, or $21,386,515.

Improvement Recently

Since that time there has been a certain amount of appreciation in the value of the company's holdings and it is officially stated that at the end of June last the company's investments were worth over $30,000,000. On this basis the book loss sustained by the company is roughly equivalent to the proposed reduction in capital.

When Losses Occurred

The principal decline in the value of Power Corp's holdings has been in the securities of the following companies: British Columbia Power Corp., Foreign Power Securities, Winnipeg Electric, Italo-Argentine Electric Co., Brazilian Traction Light and Power Co., Shawinigan Water and Power Co. and Southern Canada Power Co.

The financial statement for the year ended June 30, 1933, will not be available for a few weeks. The reduction in capital, if approved by the shareholders, will not be reflected in the 1933 report.

Eliminate Bank Loans

The balance sheet position of the company, however, will likely show strengthening by other developments, notably the elimination of bank loans which on June 30, 1932, amounted to $828,562. No bank loans will be shown in the past year's statement.

During the past year the management continued its policy of

(Continued on page 2, col. 7)

Week's Figures Feature Gains In Shoes, Prices

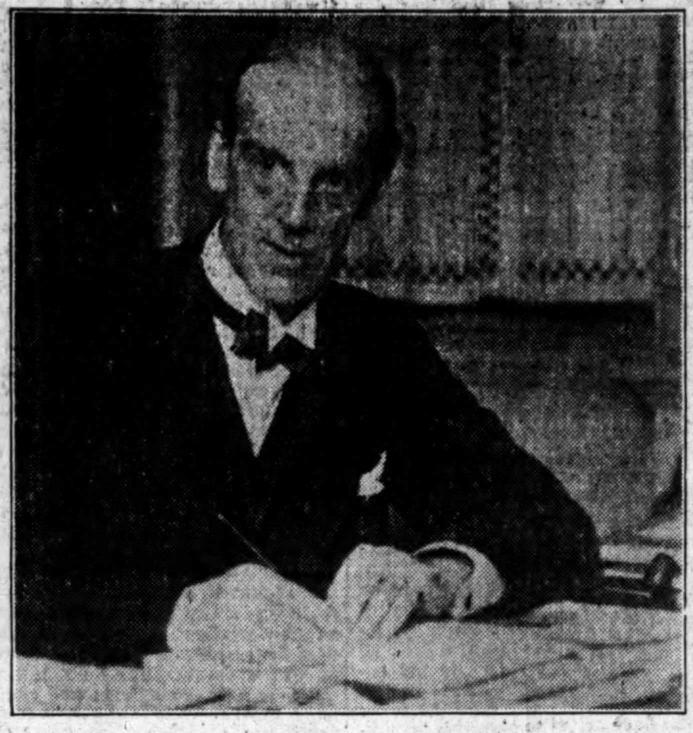
Footwear production reached an all-time high in June and provides the feature of the business indicators released during the past week. Wholesale prices, as judged by the index of the Dominion Bureau of Statistics, gained 4.3 per cent in July to reach 70.5 and thereby wipe out the losses of 1932.

Wheat at Winnipeg eased off at the beginning of the week and dropped a few points on sales of hedges, although crop reports continue to add to the damage reported. Cotton was easier in New York but sugar was strong. Other commodities remained fairly steady during the week.

		Prev. Period %	Prev. Year %
Monthly	**June, '33**		
Coal output, tons	690,790	+ 3.2	— 7.7
Coke prod., tons	136,546	+ 0.9	+14.3
Footwear output, pairs	1,965,647	+12.0	+26.0
	July, '33		
W'sale prices, index	70.5	+ 4.3	— 0.1
Weekly *			
Carloadings, No.	37,181	— 4.8	+ 1.6
Cattle sales, No.	10,571	—22.8	—21.2
Hog sales, No.	13,725	—18.8	—30.0

* Weeks ended July 29, Aug. 3 and 3 respectively.

Lord Macmillan Gets Down to Work



This week the Royal Commission investigating the Canadian Bank Act and banking system, started to work at Ottawa under the chairmanship of Lord Macmillan, eminent British jurist, shown above. The commission will first take evidence in western Canada, starting at Victoria about August 14, and working eastward across the Dominion.

Difficulties Loom As Nira Expands

Response to Blanket Code Has Been Excellent—Many Industries Have Submitted Codes—But Problems Mount as Sufferers Complain

All over Canada, industrial and political chieftains are watching keenly the work of the National Industrial Recovery Administration in Washington. In the following article, which collates dispatches from our correspondents in Washington and elsewhere, we continue our weekly summary of the measures undertaken and the reaction of American business men and newspaper commentators to them.

While no official figures have been issued showing the increases made in employment as a result of industries submitting to codes or co-operating with the National Recovery Administration through the Blanket Code, The Whaley-Eaton Service, Washington, states that responsible officials insist that employment will be back on a pre-depression basis by Labor Day — which would mean putting 5,000,000 men back to work. It is estimated that jobs for 2,500,000 have already been assured.

As far as wages is concerned, again there is no official estimate but, on the basis of the above employment statement and the fact that the minimum wage will be not less than $12 for all workers, it is hoped that $60 million dollars a week will be added to the national payroll.

It can be seen, therefore, that tremendous progress has been made in the past few weeks.

But there are a number of factors which are causing concern both to the administrators and employers.

Table Many Codes

About 700 industry codes have been submitted and an excellent response under the Blanket Code. While many of the former have been approved there are a number of large industries which are deadlocked over questions of hours of labor and wages. Under the latter, there is disappointment in connection with replies from smaller employers, acording to reports from Washington, and a fortnight's respite from the drive against those who have not signed, originally scheduled to begin on August 1, has been granted.

Those employers who have, as yet, remained outside the scheme have largely done so because they profess to find it impossible to comply with the terms and remain in business. That this is extremely possible can be seen in a perusal of industry codes which have been approved and in which minimum wages, in many cases, are below the Blanket Code standard, and hours of labor higher.

Clash With Labor

For example, the recently approved shipbuilders' code approves a 36 hour week and a minimum wage of 35 cents compared with a maximum 35 hour week and 40 cents an hour under the Blanket Code. Again, a 40 hour week is provided in the textile code.

Clashes with the American Federation of Labor are daily features of the hearings on the industrial codes. It would appear that the general practice of labor is to attack the proposals of the industry and counter with a proposal for a 30-hour week and a higher minimum wage. In a number of cases, the administrators have arbitrarily fixed the hours of labor and wages at a compromise ranging somewhere between the two offers.

Illustration of this attitude of labor can be found in the oil industry codes. Two codes were presented, one by the American Petroleum institute and one by the independents. The former proposed a 40-hour week and wages ranging from 40 cents to 47 cents according to location while the latter proposed a 40-hour week and 50 cents straight. Labor countered with the proposal for a 30-hour week and $4.75 per day minimum, which works out at about 79 cents an hour.

Independents Fight

Meanwhile, independent groups in many industries are fighting the terms of the codes which have been approved. At present, the coal and oil industries are divided over fair practice legislation written into their individual codes. Independent milk dealers are fighting their code. The silk code is held up owing to a wage controversy.

Industrialists generally are fearful of the result of the tremendous increase in prestige which has been given to the American Federation of Labor. Certainly organized labor has been recognized by the government as an important force for the first time since 1917 when war conditions created a shortage of workers. Industrialists are asking just what will be the status of labor when present exceptional conditions have passed.

Importance of Labor

Walter Lippmann, writing in the New York Herald-Tribune, although not definitely committing himself to the statement that labor will fail to grasp its opportunity, instances past history as showing that organized labor has failed to hold its members in the past when placed in a hardly less favorable position than that of the present. He feels that American labor is as badly prepared for the increased responsibility as are the majority of employers.

On the other hand, the Whaley-Eaton Service holds the opinion that labor is much better organized than industry. In its current letter, it states as follows:

"The labor representation is not only extremely able, but it backs up its contentions with statistical analyses of a high order. The industrialists seem to have divided counsels, but labor knows precisely what it wants. The Government has rather side-stepped, so far, on the issue of company unions, merely inserting the language of the statute in the codes, but the fight between union labor and company unions is being fought over the whole national front, with more strike talk heard all the time. The outlook is for wide gains by the American Federation of Labor."

Employers have been fearful since the collective bargaining power of labor was recognized and the government stepped in and fixed wages rates that this was only the thin edge of the wedge. Wages have been fixed for the lowest paid classes; will the government later step in and fix all wages from top to bottom? Or will the administration turn to employers and say, "the emergency is over, business is satisfactory, and the government will no longer fix wage scales."

General Johnson Speaks

This question, along with many others dealing with the future of the N.R.A., was recently answered by General Johnson. According to

(Continued on page 2, col. 5)

Central Patricia Plans Production By April 1 Next

Central Patricia Gold Mines expects to have its 50-ton mill in operation by April 1, 1934.

Northern Aerial Canada Golds, also in the Pickle Lake-Crow River area, has plans for a 200-ton mill.

Different claims in this new Ontario mining camp are showing considerable promise.

A staff editor, who visited the area last week, describes the current activity in special articles this week. Page 14.

LONDON LOAN AID TO CANADA IN NEW YORK

Competitive Value; Backs Up Opinion; Financiers Pleased

SELLS AT PREMIUM

Borrowing Abroad on Canadian Dollar Bonds Said Impracticable at Present

Canadian financiers are highly pleased at the enthusiastic reception with which the Dominion of Canada's borrowing of £15,000,000 in London was received. The loan is estimated to have been oversubscribed five times before official opening of the subscription books. "Stags," or speculative subscribers, are believed to have applied for a substantial portion of the loan.

This did not prevent the new bonds going to a substantial premium when trading in the issue started on Aug. 8. The issue sold at 101¾ in London. "Stags" were hampered by allotments. Applicants for £100 blocks were satisfied in full, but those blocks of £500 got only 20 per cent of their requirements, and those applying for larger amounts got only 16 per cent.

Financial men are pleased with the loan because of the concrete expression of faith in Canada as a borrower. The patriotic note which has been reported in the daily press is largely disregarded. It is felt that "money talks" and that the success of the loan is more the reflection of financial faith in Canada than an expression of Imperial affection.

Gundy Opinion

J. H. Gundy, in an interview with The Financial Post, sees the loan as a benefit to Canada in the New York money market.

"I'm very pleased about the London loan operation. It has helped us a lot. It has helped here and in New York, as well as in London," Mr. Gundy told The Post.

"Would you say it has helped in New York for competitive reasons?" asked The Post.

"Yes, and also it backs up their judgment. In New York they used to say: 'We think Canada's good.' Later, they were saying: 'We hope Canada's good.' Now they're saying: 'We know Canada's good.'"

Reports from New York have indicated that observers there were mildly and pleasantly surprised to find that the British investor is so anxious to lend to Canada. There has also been a hint of chagrin in some reports that London took the loan as promptly as it did. The United States has been the financial backer of Canada for hundreds of millions since the war. While it appears pleasant to Americans to have their opinion confirmed, they do not appear to relish loss of their financial hold on Canada.

Canadian Dollar Bonds

Canadian financiers appear to think it impracticable for the Dominion to borrow money abroad on a promise to repay in Canadian dollars only, judging from interviews with The Financial Post. This question arises from the fact that the new London loan is payable in pounds sterling. One prominent financier put it:

"It would be a good thing for the Canadian Government, if it were possible, to borrow only in Canada. Canada is a fairly wealthy country. But it would mean that they would have to restrict some of their expenditures. If it were done, then the Government would know where they stand when it comes to paying. It could perhaps be made a fairly general policy only to be altered in unusual circumstances.

"I think it might be possible for

(Continued on page 2, col. 1)

UNITED STATES SAID TO LACK MONEY POLICY

Action Would Affect Canadian Dollar and Price Levels

TRY NIRA FIRST

Congress Will Demand Improvement by January — Pressure on Roosevelt for Free Gold Mart

The Roosevelt administration in the United States has no definite monetary policy, according to reliable information. This is in direct rebuttal of recent articles in the American press which have suggested that Washington is on the verge of reducing the gold content of the dollar. The feeling of those who deny such stories is that monetary policy must ultimately be determined on the results of the industrial recovery programme. Until this is worked out in more detail President Roosevelt himself does not know what will be done with money, it is said.

One Canadian economist recently suggested to The Financial Post that the president of the United States has done nothing to actually inflate the currency. He has merely taken the power from Congress, said this observer. A similar comment now comes from Washington. Mr. Roosevelt's power to devalue the dollar in terms of gold is termed the "ace in the hole" which is being held in reserve in the event of failure of other recovery measures. The importance of American monetary policy to Canada is that it is expected to affect our dollar and our prices. It may also affect British and Canadian monetary policy.

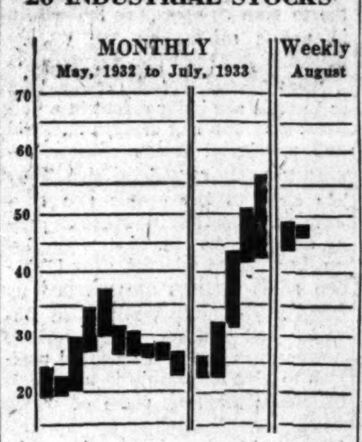
Roosevelt Feeling His Way

Washington advices to The Financial Post indicate that President Roosevelt is said to be feeling his way on monetary policy and along other lines also. That is, in the recovery programme, public works and so on. The attitude of informed Americans to the whole experiment is that of passive criticism. They feel that the NIRA programme is loaded with fallacies,

(Continued on page 8)

Stock Market

20 INDUSTRIAL STOCKS



MARKET RECORD

20 Industrial Stocks	High	Low
Week of Aug. 8	48.3	46.3
Week of Aug. 1	49.1	43.9
Month of August, 1932	35.1	27.9
10 Public Utilities		
Week of Aug. 8	54	52
Week of Aug. 1	55	52
Month of August, 1932	53	44
8 Bank Stocks		
Week of Aug. 8	188	186
Week of Aug. 1	189	186
Month of August, 1932	182	163

Railway Labor Strike Looms as Possibility

Running Trades Preparing Ballot for Strike Vote — Other Divisions Negotiating With Company Representatives or Waiting Board of Conciliation

From Our Own Correspondent

MONTREAL. — Proposal of the railway running trades to take a strike vote in answer to the railway's ultimatum of a further 10% cut in wages, has so far drawn limited comment and interest. The idea of a strike in these days is beyond the comprehension of the "man in the street" and it is unlikely that he will show signs of perturbation until the running trades have done more than take a strike vote.

Union leaders are serious in their intentions and steps are being taken to prepare the ballot. The disagreement has gone beyond the arbitration stage and it appears that neither side is willing to make any major concessions at this stage.

Shop Trades Negotiating

So far the strike vote proposal is confined to the running trades. The shop trades, comprising the machinists, boilermakers, blacksmiths, electrical workers, sheet metal workers and molders, are still negotiating with the railways' representatives. The shop trade officials are definitely opposed to the proposed pay cut, while the companies' representatives take the stand that if the opposition continues the Minister of Labor will be asked to set up a Board of Conciliation.

Another division of railway workers—railway clerks, freight handlers, steamship, express and station employees—have been unable to come to terms and a board of conciliation has been requested. This division affects only the Canadian Pacific Railway, which has named its representative for the Board. The chairman has still to be appointed by the Minister of Labor, as well as the third member by the Brotherhood.

C.N.R. Meets Opposition

A fourth group, the Canadian Brotherhood of Railroad Employees, comprising clerks of all types on the Canadian National Railways, await the result of a referendum of their membership at large in regard to the proposed pay cut. This section is still in its earliest stage in the wage fight and has not yet met the company to clarify the attitude of the men on the sought-for reduction.

The whole railway labor situation is in a nebulous stage at the moment but could easily crystalize overnight. Ottawa is reported to be watching the situation closely, but has refrained from taking any active participation until such time as matters have reached a more definite stage.

Highlights of the week

Events and Topics That Make News for Post Readers

British Movies

What the advent of the talkies means to the British industry, and how it is thriving with the assistance of enforced economies in Hollywood. Canada seems to like the British product, which is turned out in studios with the best technical equipment. Page 3.

Europe's View of U. S.

"Rooseveltitis" has grave dangers and difficulties, according to the European viewpoint. Dr. Melchior Palyi, economic counsellor for the Deutsche Bank, and a well-known European economist, writes for The Financial Post on the recovery experiment in the United States, as seen from a distance. Page 6.

Double Liability

Does it really mean anything to penalize bank shareholders with double liability? Would its removal send bank shares up? A criticism of the feature. Page 11.

Your Investments

Over two dozen answers to enquiries on investment securities appear on page 9. Mines and industrial securities analyzed in brief. Those in which you are interested may be among them.

Central Patricia

Flying into the district, a Financial Post editor presents an eyewitness account of development and operations. Two mills planned. Page 14. How ice and snow help and hinder mining development in Northern Ontario. Airplanes and radio give rapid communication. Page 1.

Developments in U. S. A.

Washington dispatches to The Financial Post indicate that Mr. Roosevelt lacks a monetary policy. He is said to be awaiting developments from the NIRA programme. Page 1. More about what the National Industrial Recovery Act signifies to impartial observers. Told for Canadian readers. Page 1.

Falconbridge

Statement of increased earnings analyzed by the mining editor. Can the mine continue to produce such large revenues? Page 14.

Bank Enquiry

Complete report of first day's sittings of the Macmillan Royal Commission on Banking. What Lord Macmillan and J. A. McLeod said. First of a series of comprehensive surveys of proceedings. Page 8.

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Ontario Silknit Acquires Aberley Knitting Mills

Ontario Silknit, Ltd., is understood to have purchased Aberley Knitting Mills, now in bankruptcy, on a basis which will give the creditors 100 cents on the dollar and allow preferred shareholders 10 cents on the dollar. The arrangement is understood to be subject to Ontario Silknit verifying the value of inventories and other items as shown on the Aberley statement.

Bathing suits, jerseys and other knitted products of Aberley will work in very well with Ontario Silknit products. Aberley had an excellent trade name, and its products were sold by the leading merchandisers of Canada. It was reported to have annual sales exceeding $200,000 but the declining prices and trade uncertainties of the depression period were too much for it. Its financial statement, however, affords reason for the acquiring company to hope that in stronger hands it will be a valuable adjunct.

ICE AND SNOW AID AND HINDER GOLD MINING

Farthest North Ontario Mines Made Possible By Plane and Radio

FROST PAVES WAY

But Difficulties of Ground Transport Multiply in Abnormal Year—Contractors Carry on, However

Before Central Patricia Gold Mines and Northern Aerial Canada Gold can operate next spring the farthest north mines in the Province of Ontario—and indeed the farthest north purely gold mines in the Dominion of Canada—problems of peculiar difficulty must be solved in freighting of mill equipment and machinery by tractor and teams over 110 miles of winter road from Savant Lake on the Canadian National Railway's most northerly point north of Lake Superior. That winter road must pass over land and water, and that water includes scores of lakes, sloughs and muskegs where ice conditions vary greatly.

These two mines so far north have been made possible by plane and radio. Planes of Canadian Airways and other companies fly over these lakes, otherwise difficult of access, and in an hour will transport food, forage, small equipment, sectional canoes, workmen, passengers, mail and motors over distances that would consume more than a week to take by freight canoes over lakes and portages. Quick action is made possible at costs which are moderate in comparison with slower methods.

Radio is Great Help

Radio is also a great aid. For instance, a radio station at the property of Central Patricia Gold Mines on Crow River will send a message to Sioux Lookout where it is relayed to Toronto quicker than from many flag station points on the railway itself. Orders for parts can be given and executed so that the two mines are at no disadvantage as compared with mines established nearer to railroads so far as light equipment and all ordinary supplies are concerned.

In the more settled parts of Canada the majority of people are still inclined to think of an airplane journey as dangerous. In the North country, away from railroads, prospectors, mine workers, teamsters and white men generally have come to think of and accept an airplane as a great convenience just as their parents accepted railroad trains. "Hopping over" from one lake to another one or several hundred miles away comes into every day talk, and the only bar to a great deal more of it is the price. You travel fast when it is worth while and in gold mining it often is worth while.

But when you come to ground transport of heavy mill machinery weighing many tons the difficulties begin. The Howey is well situated in that supplies can be taken in by the water route before the water freezes, but to freight into the Pickle Lake-Crow River area winter must be waited for. The contractor "frost" lays, or is supposed to lay, a solid thick sheet of ice over lakes which then afford a natural highway for heavy loads.

Assisting Nature

Up north difficulties act as a spur, not as a deterrent. No one seriously thinks that there will be failure in getting mill machinery eventually to Central Patricia and to Northern Aerial Gold. True, machinery went through the ice last winter but that very circumstance is stimulating contractors to study closely all the ways, artificial and otherwise, by which winter transport can be improved, by which ice on lakes can be thickened and by which transport can be hastened. Nothing can hasten the coming of the frost in the fall and the freezing of the lakes; nothing can stay the commencement of the spring break-up; and nobody can say within two or three weeks when either will come, but there is still much that man can do to take

(Continued on page 2, col. 6)

Just Think of It!

Moral conditions in Toronto require that one-sixth of the total taxes collected from citizens be used for protection of persons and property.

Taxpayers spend roughly over half as much more on charities and corrections.

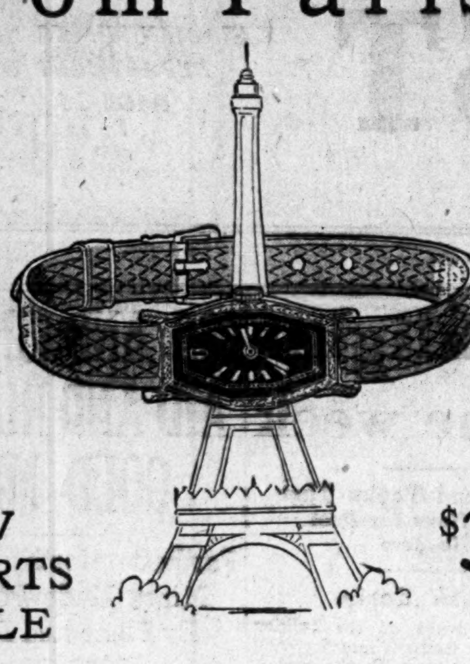
In all, over 25 per cent of Toronto's taxes go to pay for the moral and physical defects of its citizens.

Toronto boasts of more churches, more moral workers, more general uplifters and more education to the acre than any other city on the continent.

A letter to a Toronto paper asks what are the functions and responsibilities in his community of the modern minister, and answers "the teaching of morals."

Sir Octavius Morgan, Lord Mayor of London, on a visit to Canada forty or fifty years ago, said the moral teachings of the rural clergy were responsible for the high standing of British business men throughout the world. Since then, the influx of non-British peoples into English industrial and social life has greatly weakened Church influence and the morale of the people.

From Paris---



A NEW SPORTS STYLE

$35.00

With this new smart sports style in watches Paris again proves that her reputation for smartness allied to good style is no myth.

This attractive watch has a solid gold case and a 15-Ruby jewel movement and will be found as accurate in its performance as it is good to look upon.

MAIN FLOOR—YONGE & ALBERT STREETS

THE T. EATON CO LIMITED

LONDON LOAN AID TO CANADA IN NEW YORK

(Continued from page 1)

the Dominion to borrow abroad on loans payable in Canadian dollars only, if the market were available for it. No doubt they have had to dress up the loan to suit the British market. For this reason I don't think it would be possible at present. The British investor is used to dealing in pounds, shillings and pence, and that's what they're familiar with. Some British investors will send out money to be invested in Canadian dollar loans, but most of them want to be paid in pounds."

Canadian Position

Great Britain and the United States have, of course, borrowed most of their debt to be repaid in their own domestic currencies. But this borrowing has been carried on in their own money markets. Outsiders have bought British and American government loans, but on their own initiative. Canada being a debtor goes into outside markets for money on occasions. When outsiders are invited to lend to Canada in this manner our loans have to be suited to the market in which the funds are sought, say the financial men.

On the other hand, many outsiders hold Dominion bonds payable only in Canadian dollars. These are loans which have been floated chiefly in the Canadian market. The war loans are examples. Outside investors who purchased these securities did so mostly of their own volition, as the money was not primarily requested in foreign markets.

One reason for Canada paying foreign loans in foreign currencies is the view of institutional investors abroad. Life insurance companies in Great Britain and the United States, for instance, prefer to have their assets payable in the same currency as their liabilities. Thus, they are willing to keep a portion of their funds in Canadian dollar loans to offset Canadian dollar insurance policies. But they prefer loans repayable in their own currencies to cover policies written in those units.

It was suggested to The Financial Post by one observer that Canada should have been borrowing as much as possible in the United States during the period when the Canadian dollar was at a heavy discount. This was formerly done, he contended, to the profit of the borrowers when our dollar climbed again. It wasn't done on a large scale this time because of investors' fear.

Borrowing in Canada

There appears, however, to be strong opinion in favor of Canada tending to keep loans payable in Canadian dollars as far as possible, as the above quotation indicates. It is acknowledged that it would be an advantage to the Dominion in budgeting, since the risks of fluctuating exchange would be largely removed. But at present the fear of exchange fluctuations has become so prevalent, and international lending has been so small, that it is thought doubtful whether British and American investors would receive a Canadian dollar loan favorably.

British and American money is seeking investment in Canada, however, The Financial Post is informed. Loans, such as the forthcoming conversion, will be partly subscribed by outside investors, it is thought. This is viewed as a different matter to the Dominion going into an outside market, such as London or New York, and offering Canadian dollar bonds.

Fluctuations of sterling may not prevent British money coming into Canada, in the opinion of some financial men. It is stated that British money was coming into Canada when sterling was as low as $4.25 to $4.40. The reason for this was that interest rates are exceedingly low in London. At $4.25 some British investors were willing to take about one-eighth depreciation of sterling to get a yield of 4½ per cent on gilt-edged Canadian bonds as against about 3½ per cent on British securities. Thus, it is expected that British money may continue to find its way into Canada even if the pound goes back to these levels.

American capital is already being held in Canada in large amounts, it is understood. This, of course, is due to fear of what may happen to the United States dollar. A substantial profit must have been realized on some of these balances due to the rise of the Canadian dollar. Factors which might cause a withdrawal of these funds are the lowering of interest on bank and trust company deposits, a declining tendency in interest yields on high grade Canadian bonds, and the rise of the Canadian dollar.

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The Nation's Business

(Continued from page 1)

striction on outside lending, the flow of British capital to Canada, which has been almost non-existent for some years will become a steadily increasing stream. In giving stimulus to this movement, the confidence of British investors in Canada will be an important factor.

In selecting countries for investment, those who direct the outflow of British funds pay a great deal of attention to such factors as the soundness of a country's finances and the character of the government it receives. If we are to retain the benefit from the confidence that the British people now have in Canada we shall have to be exceedingly circumspect in national and provincial finance, balance our budgets, economize in public expenditures and refuse to borrow beyond our reasonable capacity to pay under any and all circumstances.

* * *

Trent Valley Canal Political Racket

A RAVENOUS White Elephant" is what Major Hugh C. MacLean, writing in the Canadian Magazine, calls the Trent Valley Canal. In a very striking article in his publication he outlines the entirely political and spuriously economic history of this sink-hole for millions of public money. He demonstrates its uselessness as a commercial transportation system.

Major MacLean makes a good case. It is one that is thoroughly familiar to readers of The Financial Post. Last September an editorial in these columns described the canal, indicated the high annual cost of operations and limited use made of it, almost entirely by small pleasure craft. Our statement that the height of absurdity in public expenditures in Canada is reached in the Trent River Canal and Trent River navigation improvements is well supported by Major MacLean's own studies.

Major MacLean has a plan to end this political racket. His proposal is that the Ontario Government should take over the canal as a tourist route (which is what it is), assume operating responsibility and charge adequate tolls in order to cut the losses.

Since The Financial Post introduced the subject of charging tolls on our canals many newspapers throughout Canada have taken up the campaign and a large part of the public has awakened to the senseless folly of our present policy of providing graft for political contractors and free transportation for special interests at the expense of the taxpaying public. The Canadian Magazine has been one of the strongest supporters of The Post's campaign.

* * *

The Common Sense of Main Street

AT THE instance of Bruce M. Pearce, editor of the Simcoe Ontario Reformer, the Ontario and Quebec divisions of the Canadian Weekly Newspapers' Association has appointed an editorial committee to plan co-operative leadership in public affairs by the weekly newspapers of the two provinces.

Most of our weekly newspapers in Canada are independent in a political way and can discuss national and provincial issues without regard to party considerations. They are close to the people and they have an important influence on public opinion. As Mr. Pearce pointed out in a recent address, over 1,000,000 adult readers are reached by some 300 country weeklies in Ontario and Quebec. Thus, these newspapers are in a splendid position to give leadership in a number of public matters, some of which have been bedevilled by politics. The weekly newspapers hope, by joint study and discussion, to outline fairly definite policies in connection with such matters which all can back up.

Mr. Pearce has given examples of policies on which the weekly newspapers could agree. All of them are agreed as to the need for economy in governmental expenditures. The weekly newspapers are in an excellent position to urge a national government to balance the Canadian budget and to transact the country's business in a business-like way without regard to party.

On the question of the St. Lawrence Waterway, Mr. Pearce urged co-operative editorial comment to the effect that the country cannot afford this enterprise at the present time, that there is little market for the resultant power at present and that it would take business away from hard pressed railways.

He urged also support for the proposed conversion loan to reduce the interest rate on our bonded indebtedness. Support might also be given by the weekly newspapers for measures to improve the position of the farmer and to protect the rights of municipalities against invasion by a provincial government.

Canada's weekly newspapers are a living force in the creation of sound public opinion. They are well edited by sensible men.

Their first task is to discuss wisely the affairs of their own communities and to draw lessons for these communities from experiments and experiences elsewhere. But the action of the Ontario and Quebec weeklies shows that they recognize secondary responsibility; to present to the people of Canada as a whole the never very radical, never very excited, never very theoretical viewpoint of the citizens of our less metropolitan areas.

Canada needs the common sense of Main Street.

* * *

Impractical Finance and the Results

TO THE disgruntlement of some financial theorists, The Financial Post has been pressing for reduction of budget expenditures by municipal, provincial and Dominion Governments for years. According to some of the theorists, the more unbalanced budgets are the better off everyone is. The other side of the story is told clearly in the recently published report of the committee of supervisors of the town of LaSalle, Ont.

Of the course by which the town got into financial difficulties, the report states, in part:

"The municipality, in making up its budget of income and expenditures in each of the years referred to, had assumed that 100 per cent of the taxes levied would be paid, and based its annual expenditures accordingly. The municipality, however, should have made provision for uncollectible taxes. As the town was only collecting in these five years from 48 per cent to 74 per cent of its income, financial difficulty was inevitable . . .

"As the town failed to collect its revenues and reduce expenditures, the line of least resistance was followed by resorting to heavy bank borrowings . . .

"As (tax) collections decreased... and expenditures were incurred without abatement, these borrowings steadily increased . . . The failure to collect income did not, however, limit expenditures . . .

"There had been a tendency...to endeavor to raise additional tax revenue by either increasing or maintaining abnormally high real property assessment. Those paying taxes know by bitter experience that a lower tax rate does not always mean an equal or lesser amount in actual dollars and cents demanded for taxes.

"Heavy capital expenditures for local improvements, following a period of unwarranted and unwise real estate speculation, was one of the main factors causing LaSalle's financial embarrassment. The heavy additional tax charges . . . proved so onerous that in many instances it was impossible for the owners to meet them."

From this it is abundantly clear that it is not only dangerous for a Government to have an unbalanced budget, but that it may be equally perilous not to live within a cash income. The result in this case was default, and compulsion of economies.

The argument of The Financial Post is that expenditures by ratepayers are better than those by Governments, and that excessive taxes reduce the purchasing power of citizens. Moreover financial embarrassment due to wasteful governmental expenditures results in further reduction of purchasing power on the part of holders of defaulted bonds. That no country ever succeeded in taxing itself into prosperity must be the logical conclusion.

Nearly Four Million Workers in Canada

There were 3,924,533 persons gainfully employed in Canada at the 1931 census, of which 3,258,618 were males and 665,919 females. This compares with a total population of 10,376,786 in 1931, of whom 5,374,541 were males and 5,002,245 females.

Gainful occupation in census usage is an occupation by which the person who pursues it earns money or money equivalent, or in which he assists in the production of marketable goods. Children working at home merely on general household work or chores, or at odd times on other work, are not entered as gainfully employed. Similarly women doing housework in their own homes without wages, and having no other employment, were not included among the gainfully employed. A person who happened to be idle or unemployed at the date of the census was enumerated as of the occupation usually followed when employed, or of the occupation in which last regularly employed.

Gainfully Employed Persons By Provinces
(According to 1931 Census)

	Male	Female
P. E. I.	27,815	4,353
N. S.	153,139	27,944
N. B.	117,949	22,074
Que.	820,250	202,489
Ont.	1,096,980	249,489
Man.	225,768	44,922
Sask.	301,418	37,505
Alta.	252,793	33,425
B. C.	262,502	43,768
	3,258,618	665,919

West Turns Industrial

Nineteen cities and towns in Saskatchewan turned out manufactured products in excess of $100,000 during 1932, according to the Census of Industry. The aggregate value was $41,353,165. Regina led with products of a gross value of $18,060,908; Saskatoon reported $10,003,123; Moose Jaw, $7,608,042.

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DIFFICULTIES LOOM AS NIRA EXPANDS

(Continued from page 1)

Mark Sullivan, New York Herald-Tribune, the question asked General Johnson and the answer given, were as follows:

"General, when the recovery programme is over and times are better, what will happen? Shall we go back to former conditions, or will you make a permanent organization?"

General Johnson replied as follows:

"I don't think that question should receive the Bronx cheer. I think it is a pretty intelligent question. I have said many times that the object of this act is not a long-term proposition. It is to see if you could improve the chaotic conditions that exist in some industries, and the violently fluctuating conditions due to seasonal and cyclical variations.

"The Industrial Recovery Act permits industry to come in and say what they will do to iron out destructive tendencies in their own groups. They will be given that opportunity. Look at the cotton textile industry. It has been degrading labor and bringing down living conditions. Now they think that they can swing themselves out of it.

"One of the greatest things that they have tackled was the wiping out of the sweat shops, and lots of terrible things. Now if that succeeds, and it has two years to be tried, I suppose that the good that remains in this act will continue and the bad will die by experience. At least, it will have a chance to get away from professional conjecture and get down to whether it can be done or not. If it is good it lives, and if it is not, it will die."

Pressure to be Used

What kind of pressure will be brought to bear on those employers who have failed to adopt the Blanket Code and whose industry has not yet adopted a code?

This is a question which is on the lips of a great number of American employers. Already, local sentiment has been stirred up to boycott firms which do not exhibit the blue ensign of the N.R.A. The intensive drive against those who have failed to sign this "voluntary" code will begin on August 15, according to General Johnson.

United States' press comments generally are fearful that an indiscriminate drive against non-supporters of the N.R.A. will result in much needless suffering and will prove unfair. An editorial in The Journal of Commerce, New York, states as follows:

"What kind of pressure will General Johnson approve? Is this so-called voluntary labor code to be forced upon unwilling employers by threats of boycott, social ostracism and other methods of making life miserable and business unprofitable? Or is the pressure to be limited to an attempt to persuade non-conformists that they ought to sign the agreement, if they possibly can do so? Any pressure that goes beyond simple persuasion is likely to mean intimidation of many defenseless people, some of whom are not in a position to meet the terms of the re-employment edict."

Unconstitutional

There are some writers who express doubts about the constitutionality of unbridled boycott on those who have failed to find it possible to sign the blanket agreement.

On the other hand, however, Mr. Roosevelt has stated that his programme cannot succeed unless it has the whole-hearted support of industries, labor and every citizen of the nation. If this is so, or if the administration believes that it is so, the question arises as to whether such means of coercion as have been proposed are not justified.

Fear Repercussions

An extraordinary situation prevails in the United States, according to the daily press, in that instances have come to light of harassed small business men who are fearful that refusal to sign the Blanket Code will bring fines and imprisonment. Actually, this is a voluntary scheme and the only action that can be taken against those who fail to sign is what General Johnson proposes to do on August 15.

Only when an industry has drafted and a code for the administration of that industry has had the code approved will back-sliders be punished. It is apparently up to industrial associations to police their own industries and the N.R.A. will take action on complaint from the association. Penalties are provided under N.R.A. for violations of fair trade codes.

Leadership Paramount

In discussing the possibilities of success of the scheme the question of leadership is one which most frequently arises. Can one man, even with excellent support, carry out such a tremendous programme as President Roosevelt has outlined, is the question that is being asked. In the current issue of Nation's Business, New York, Merle Thorpe, approaches this question as follows:

"Critics of the new order of things are sceptical of the leadership on which it must depend. They say that when mistakes are made they will be made on such a large scale that the cost will be ruinous. It is true that everything will turn upon the way in which the Emergency Acts are administered. Mr. Roosevelt himself frankly admitted that his programme cannot succeed unless it has the wholehearted co-operation of industries, labor and every citizen of the nation. To fill such an order will test citizenship to the full. The comprehensive quality of the legislation was at one time its strength and its weakness. All our economic ills have been diagnosed and prescribed for. Not the least of the interest which inheres in the revising body of legislations is traceable to this solidity of congressional action. Ordinarily, the mills on Capitol Hill would require three or four years to grind out such a grist.

"The responsibilities placed upon the president are too heavy for the shoulders of any one man were he the Atlas of the modern world. It is in this necessity for delegation of the burden that danger lies. If the president confides his authority to unimpeachable leadership, the country will accept his selections in the face that his intention is not to remake but to restore America. It is fair to assume that the president will scale his choice of lieutenants to the calibre of the great objectives he has marked out for attainment. To fill the key positions with political heads would scuttle the ship of state before she could ever leave the dock."

Something Revolutionary
By M. M. WILNER

WASHINGTON, Aug.—One of the oldest and most trustworthy correspondents in the capital of the United States is Mark Sullivan of the New York Herald-Tribune. He concluded a recent letter with this paragraph:

"It is undeniable that something revolutionary happened on Tuesday, August 1. Every employer in the United States having two or more employees lost, in effect, his right to fix wages of his employees. Minimum wages are dictated by Washington absolutely. In effect, the differentials determining wages in higher brackets are also partially set by Washington."

The most amazing feature of the situation is that such a startling change from established standards could have occurred with so little comprehension of it in the public mind, either before the law went into effect or afterward. It would appear obvious that, if the decision no longer is left with the employer, a strike against him is useless. Equally it would appear that attempts by an employer to offer individual resistance to labor demands are useless. Both sides logically might be expected to turn to the Government for rulings, instead of struggling with each other. As a matter of fact, strikes have broken out to a discouraging extent since the National Relief Administration has been operating.

Men on Relief Strike

Prices have gone up, particularly bread prices. A contributing factor to this advance has been the tax of 30 cents a bushel on wheat for the purpose of paying bounties to farmers. The same process has put up prices of feed. Partly in consequence of this, dairy farmers in some sections are striking for higher prices for milk, despite the advances given them by the laws of some states only last spring. In Buffalo, N.Y., there even has been a strike by men working at jobs created for them out of public funds as a charity. Some 800 went out, demanding higher pay and settlement through their committees.

In the main, however, the strikes are of small proportions and are settled by Government agents much as the workers ask. Almost invariably the disputes are not over wage or working conditions, but on the question between outside and company unions. Whether the fact is considered evidence of progress or not, the United States is being unionized as never before. In this connection the word "revolution" appears to be used quite as often with the expectation of inspiring applause as of exciting condemnation.

Revolution Under Way

Donald R. Richberg, who draws a big salary as counsel for the National Relief Administration, proclaims in a radio speech that revolution already is under way and exults in the demonstration that a transformation in the principles and practice of government can be accomplished peacefully. Mr. Richberg, by the way, had a big part in writing the platform on which La Follette ran for President in 1924 with Socialist endorsement. On the other hand, that sturdy Democrat, Alfred E. Smith, says that Richberg talks as if he were quoting from Stalin.

The prediction safely may be offered that Smith will prove to be the more correct interpreter as events develop. People are only just beginning to learn by experience what the ideas are which arouse the enthusiasm of such advisers of the administration as Mr. Richberg. The test, so far as public acceptance goes, will come after knowledge of them has been gained.

So far, business men have given the Government little cause for complaint of refusal to co-operate. Many of the bigger business organizations favored this Industrial Recovery Act when it first appeared in Congress, though some have developed leadership quarrels within their own management on that account. The smaller business houses and individuals show most anxiety, but everybody will go with the administration gladly so long as there is actual realization of increased profits for private ownership. If that outcome, now held out as the great purpose, is not attained, there will be a different story to tell.

Borrow Soviet Habit

At the moment, the business men have small chance to argue with the Government in view of the power and manifest will of the administrator to tell them what to do. NRA signs have gone into the windows of business houses all over the country. Moreover, the Soviet fashion of abbreviated speech which these exhibit is growing. One joker asks whether WDOP means "We Do Our Part," or "We Double Our Profits." It will need to mean both.

The point on which the administration's plans are most likely to fail is the appeal for boycotts of all who do not put up the signs. That has brought vigorous protests from voices that long have been accustomed to speak, and even to form, the thought of the party which elected the President. For example, here are a few lines from an article by Walter Lippmann, America's No. 1 editorial writer:

"The idea of reaching out to force every one into such a scheme by the sheer force of public opinion is not only utterly unjust, but it is a case where the remedy will aggravate the disease. To foment discord and discrimination, boycotts and bitterness, in the neighborhoods of cities and in the towns is no way to revive business . . . . It threatens to unloose a mob spirit, and once the mob spirit is loose it is farewell to justice and sympathy and decency among men."

Such comments from such sources make it doubly important to remember, however, that President Roosevelt is the type of man who always is particularly unwilling to do anything that becomes unpopular and who has little repugnance to reversing policies.

ICE AND SNOW AID AND HINDER GOLD MINING

(Continued from page 1)

advantage of every aid that nature gives and to modify the obstacles which the elements create. Some chances will be and must be taken, and the northerners are always willing to take a chance. Even last year some trains got through.

The Pesky Muskegs

Canadian Airways, realizing that ground transport must be an accessory to its airplane service, organized last year ground transport. Others are in the business, too, and there is a competitive effort to see who can develop the most experienced men and the greatest fund of experience as to ice stresses under all imaginable conditions. Planes will assist by transporting gasoline and supplies when needed and carry word of difficulties encountered.

The fishing operation now being conducted by Central Patricia Gold Mines to salvage machinery which went through the ice of White Throat Lake last March will put every contractor on the qui vive to prevent similar misfortunes in the coming winter if they can be possibly avoided. The chief trouble arises from lakes of muskeg type which do not always develop good ice.

On February 21, 1933, eight teams with 28 tons and 150 pounds left Savant Lake. Three days later four tractors with 57 tons and 838 pounds left Savant Lake for Central Patricia. All the teams reached their destination and one 20-horsepower tractor which went ahead to break trail to the mine for the teams. A 30-horsepower tractor broke down 80 miles from steel, the snow plow of another 20-horsepower broke down and had to be loaded on sleighs, and the fourth 60-horsepower tractor took plow and caboose in tow but could not make headway for slush freezing to sleighs and tractor. Another 60-h.p. tractor was brought from Savant but it was with difficulty that the two tractors got back to Savant Lake.

On March 16 four trains were organized for a second effort. With a crew of 28 men, things apparently went better at first. But at Harris Lake three sleighs with boiler, gasoline and mill machinery went through the ice. The boiler and gasoline were easily salvaged but the mill machinery was gone beyond recall. Six sleigh loads were left at Harris Lake. Nine loads went on. On March 21 a third load passing over White Throat Lake went through the ice. Fishing operations at this point are to recover 60-horsepower tractor and ball mill and crusher parts.

All these parts were insured and salvage operations are carried on in conjunction with the insurance company.

Snow Weakens Ice

About 29 lakes have to be crossed on this road. In the winter of 1932-33, there was exceptionally difficult ice conditions in that snow followed the first ice and there was no break during the winter whereby a thaw could melt the snow and allow the water to get down under the ice and thus reduce the load and strain on the thin sheet of clear ice first formed.

Some of the first loads encountered a depth of three feet of slush lying on the top of the ice. When this was ploughed into by the tractors and teams the slush torn up immediately closed and clung to the sleighs and tractor. Gradually they developed into enormous ice balls, skidding along and building up more and more weight all the time to be concentrated on spots passed over.

In crossing the lake and muskeg sites it was extremely difficult to tell when the moving teams and tractors might come across a weak spot. A breath of relief was released every time a lake was passed. As it has been definitely decided to move in large amounts of freight, next winter, there will be preliminary work on the road so that ice will be thick enough for loads to be carried safely.

The road last March was cut out of an old road previously outlined and the whole operation was done in a rush, those with the teams never knowing when the breakup would come. It might come three weeks earlier or later. There is no set date or period that one can look to. Actually the break-up did not occur until April 25 but that could not be predicted at the time. This year experience on the winter road will be watched anxiously both north and east. Ice and snow conditions were exceptional last winter. With normal conditions freighting should be successful.

POWER CORP. SEEKS TO CUT CAPITAL SUM

(Continued from page 1)

acquiring and cancelling debentures. In the 12 months ended June 30 last the company purchased and cancelled $485,000 of its 4½ and 5 per cent debentures, bringing the total cancellations to date up to $1.219,000.

The 1933 balance sheet will show an agreement of $11,454,700 of the A and B debentures outstanding in the hands of the public. This compares with the original issues aggregating $15,000,000.

No Word on Earnings

No official word is available as to the amount of earnings in the 1933 fiscal year. During 1932 there was deficit of $377,737 before taking care of dividends on the preferred and common shares.

During the first six months ended December 31, of the 1933 fiscal year Power Corp. reported a gross income of $794,000 and net earnings after debenture interest of $355,000. This compared with a gross income of $1,048,000 and a net income of $533,000 for the six months ended December 31, 1931.

It is unlikely that the 1933 report will show any income available on the common stock, while it is doubtful if the full dividend on the preferred shares will be earned. No distribution is being made on the common, but dividends continue to be paid regularly on both issues of preferred stock.

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British Film Producers Thrive While Hollywood Turns Thrifty

Advent of Talkies Gave British Films Their Chance—Modern Studios Give Productions Best Technical Advantages—Canada Increases Imports from Britain

By Staff Editor

LONDON.—When British film producers recently put on a gala display of motion pictures for the delegates from the 66 countries represented at the World Economic Conference they flung down the gauntlet to Hollywood and challenged American supremacy in the world's film market. Films of all varieties were shown in the vast and magnificent new Victoria Theatre of Gaumont. Scientific, pictorial, oddities, news and full length story feature subjects made up the programme.

A little subtle boasting about British enterprise in film making was done at the show, the inferential boasting of deeds not words. Conference delegates hastening from the Geological Museum to their hotels to change for dinner and the movie display probably did not have time to read their evening newspapers and discover that London had had a big fire that afternoon. But they were shown sound pictures of the fire. They were shown too sound pictures of the famous Isle of Man automobile race six hours after they were taken. The Isle of Man is 300 miles from London. Capping the climax was Jack Hulbert's newest, "Falling for You." taken in part in Switzerland and finished in British Gaumont's new studio at Shepherd's Bush where technical achievement reaches its highest level.

British Films Get Chance

The coming of sound pictures gave British films an opportunity previously denied them. Sound pictures robbed the expensive spectacular films of their peculiar interest. It made plot and conversation the paramount considerations. A simple story well acted, even against the most inexpensive background, was likely to gross more at the box offices than the most sensational mélange of extras, grand scale sets, and sweeping narrative. The British film producers immediately moved up to a position of equality of opportunity with those of Hollywood. To take advantage of that opportunity they required:

1. Good technical work in photography, lighting and sound;
2. The touch of original genius in direction;
3. Names that people recognized.

British technical work in movie-making advanced enormously when Gaumont made a link with Germany's U.F.A, and then opened its new studio, in London, of which more later. From Austria and Germany were brought men who would match Hollywood's photography and lighting.

Direction improved as the British began to find the pictures in which they could excel, such as bright Ralph Lynn or Jack Hulbert comedy. And from Europe too were imported men who had brilliant but inexpensive ideas.

Borrowing America's Stars

The box office names were found by the simple process of taking advantage of Hollywood's financial stresses. Scores of American film stars have flocked to London this summer to make British pictures. The public has been told so often about the enormous salaries paid to American film stars that it may seem at first glance to be a surprising thing that London studios could bid for their services. London has done it; is doing it.

Hard-boiled receivers have altered many of Hollywood's extravagant habits. Not many big stars are under long-term contracts with big yearly salaries. Hollywood pays many of its stars so much a picture and signs them on separately for each job. These stars can make an extra bit of change between American jobs by running over to London, in the midst of London's brightest social and sporting season, to do a picture for a British company. Some of the stars find it easier to get work in Britain than in America. And with salary cuts in Hollywood ranging up to 50 per cent the smaller sums paid by British companies look almost attractive.

Use Some "Has Beens"

The British companies have plenty of money. They have not wasted their funds in riotous living. They are more prosperous today than the American companies. They can definitely bid for artists.

Of course, the British companies have been utilizing the services of many stars from Hollywood considered to be shining less brightly than formerly. More than one Hollywood discard has recently appeared in British films. But so long as they can still act moderately well under good direction, British producers are ready to give them contracts for two or three pictures. The British are seeking world markets. In the far corners of the globe a name that American companies have made famous by expensive advertising and magazine propaganda may remain famous after it has gone into eclipse in fickle film-fan America.

British producers are using famous faces from across the water to give their films the magnetic appeal that will bring people past the box office. And when the fans get inside they will find that the famous names are not the important people in the picture. They discover better, more interesting people in the films they see. They look closely at the casts of characters to see who they are; they look for them in further pictures. Thus discarded or temporarily jobless American film stars are being used as bell-wethers to lead British actors to fame.

Depict Fun of Life

Another factor is helping the British film, the poisonously brutal character of the subjects that are currently popular with American film fans. Hollywood has to think of its home market first. What Americans want, though, may not be what overseas markets want. Gangster stuff, crooked politics, financial knavery have crowded recent American films. It is heavy fare for a depression-weary world. It has some following even in London where movie-goers seek excitement just as they do in America and find it in the bizarre pictures of an American life that they consider genuine and typical. But such pictures pall on the British and foreign appetite sooner than they do on the American appetite. British films have gone bright and cheery. Pantomime comedy is capable of being understood the world over; gangster politics is not.

British films used to have practically no market outside of the British Isles. And they had only a small market within the British Isles. When the quota law, requiring British cinema houses to show a minimum of 7½ per cent of British films annually (now 10 per cent) was passed in 1927 American films constituted from 95 to 97 per cent of the total showings in Great Britain. So long as British producers had only their home market and then only a tiny fraction of that they were indeed handicapped. The quota gave them their chance. For a while they were content to take advantage of the quota. They produced just enough films to fill their share and they made them shabbily and cheaply, knowing that the cinema houses would have to take them.

Now Disregard Quota

But wiser counsels in time prevailed. American companies showed signs of investing money in production in Britain in order to get under the umbrella of the quota. British film studios began to make competitive products, films that would stand on their own merits. Then they moved ahead rapidly, so rapidly that the world is only now beginning to realize how the British films have improved and how the industry has grown. In Canada one occasionally hears the remark passed that the British films will be accepted by the Canadian people when they are good enough. That remark is quite out of date. British films are good enough; they need no apologies on their behalf.

When the British producers began to make excellent pictures they gained at home in Britain a market far exceeding in scope the quota allotted to them by law. In 1932, when the official quota was 10 per cent they actually succeeded in showing just a slight fraction under 25 per cent of all the feature films displayed in the British Isles. They made 154 full length productions. The quota no longer means anything; it is not necessary.

Seek World Markets

It means a great deal to the British producers to have such a large and such a rapidly growing share of their home market. The average movie attendance in the British Isles is about 20,000,000 a week and the fans pay about £45,000,000 to £50,000,000 a year into the box offices.

Gaining their home market was the first step the British film producers had to take. But they wisely have sought world markets and outside of the United States where progress in marketing is yet a little slow, they are succeeding. Australia and New Zealand comprise the best market. Canada is coming ahead rapidly as will be shown later. South Africa is moving slowly toward British films. In other markets British films meet the same problem that American films are up against, the language problem, and they have the additional problem of the fact that British film stars are not yet well known. But we have seen how this problem is being met by using American "names." And British film stars will become better known as the years roll on.

Bow to Star System

This problem of star consciousness is a peculiar one. From the earliest days of big motion pictures the star has been more important than either the story or the names of the producer or the director. The fascination that individual personalities have for the average man and woman has been the industry's strongest card. Star consciousness has given the industry continuity of public attention; it has prevented movie-going from becoming the craze of one moment to be forgotten the next. For always, several new and glamorous figures have held public attention and always if they were beautiful enough, funny enough or clever enough they have held it each for a long time so that the screen has never been without its stars. How it has been necessary for the British producers to accommodate themselves to the star system and borrow American stars while they were creating their own, we have already seen. There is another angle to the star system.

It is chiefly through personalities that the screen exercises its subtle propaganda influence. What screen stars wear, what they do, and how they do it, how they speak and what they say, determines the habits of countless millions the world over. The "Americanization" of the British people, so marked to visitors, owes much of its strength to the influence of the film. In time, British films may exercise a similar influence in the United States and elsewhere. It is not without promise for the King's English, in both British and non-British countries where it is the language of the people, that British-born and British-trained stars are prominent at Hollywood and are gaining prominence from London.

In future years the film, which has been chiefly an Americanizing influence, will probably have more of an international influence.

Gaumont is Leader

Leader of the British film industry is Gaumont-British Picture Corporation, once largely a French company, now British but with a substantial American stock ownership in it held by the Fox Film corporation. Gaumont is the company that almost acquired control of Famous Players Canadian Corporation from Paramount Publix about three years ago when Famous Players was "saved" from British control through the patriotic endeavors of a Canadian financial group whose rescue efforts served to get the Canadian stockholders inextricably entwined in the meshes of Paramount's receivership.

It should be said that while Fox is interested in Gaumont he is only now being given representation on the board. Safeguards have been set up against foreign control.

Gaumont has recently built itself a $1,250,000 studio at Shepherd's Bush where several of the British film companies, of whom a number are virtually subsidiaries of Gaumont, turn out their productions. At this studio have been made "Good Companions," "Britannia of Billingsgate," "Rome Express," "The Midshipmaid," "Waltz Time," "Orders is Orders," "Jack's the Boy," "Falling for You," and other pictures of note. Here there are six well-equipped stages, including a water tank studio, and dressing and restaurant accommodation for 600 players. The laboratories can turn out 2,000,000 feet of film weekly.

Other Producers

British and Dominions Film Corporation, best known for their Aldwych theatre farces but also to be commended for such productions as "Splinters," "Carnival," "The Blue Danube," "The Flag Lieutenant," "Bitter Sweet" and "Night of the Garter," makes pictures at Boreham Wood.

British Lion at Beaconsfield and Alliance at Twickenham are two other British companies. At Twickenham Conrad Veidt is now filming the "Wandering Jew."

Other companies are: Associated Talking Pictures, which stars Gracie Fields and has also just completed a splendid presentation of "Loyalties" featuring Basil Rathbone as the Jew.

Butcher's Film Service ("Our Farmer Prince");

Ideal Films ("Sunshine Susie," "Michael and Mary," "The Hound of the Baskervilles");

W. & F. Film Service ("Jack's the Boy," "The Ghost Train," "Rookery Nook");

British Movietonews (two issues weekly);

Gainsborough Pictures (with numerous productions to its credit);

British International Pictures (who advertise "the best in talkies");

Fidelity Films (sound recording specialists);

Pathe Pictures (news and "shorts");

"British Industrial Films ("England, Awake!" "Secrets of Nature").

Not all of these are producers. Some merely distribute films made by other studios.

Our Growing Imports

Remains now to be discussed only the one subject most important of all from a Canadian standpoint, and that is the measure of success achieved by the British film in Canada. Already (F. P. May 6, 1933) some interesting facts and figures have been given together with an outline of the influences at work in increasing the sale of British pictures in Canada.

Our total imports of films into Canada have been declining, because of the general depression, but nevertheless our imports of British pictures have tended upward as these figures show:

Canadian Imports of Cinematograph Films

Calendar Year	In feet from United Kingdom	In feet from United States
1929	898,000	17,224,000
1930	767,000	17,212,000
1931	1,392,000	9,721,850
1932	1,197,000	4,408,410

Perhaps the trend is more strikingly shown by figures expressed in percentages:

Percentages of Total Imports

Calendar Year	From United Kingdom	From United States
1929	4.9	94.9
1930	4.2	94.4
1931	11.7	81.7
1932	18.	66.1

The French film producers have been sending us many pictures, not a surprising thing in view of the fact that 30 per cent of Canada's population are French-speaking. In 1929 and 1930 our imports of films from France were nominal. But in 1931 they totalled 775,000 feet or 7 per cent of total imports and in 1932 1,008,000 feet or 16 per cent of the total.

CANADIAN NATIONAL EXHIBITION TORONTO
AUG. 25 to SEPT. 9 1933

Canadians are justly proud of the fact that the world's largest annual Exhibition is situated within the borders of Canada. Having grown for five and a half decades to its present tremendous proportions, this great Canadian institution has become recognized around the world as the "Show Window of the Nations."

This year during its fourteen days and nights of operation, every phase of human progress and endeavour will be on review—Carefully-planned, artistically-arranged exhibits of the natural and manufactured products from all parts of Canada and various countries throughout the world. The outstanding agricultural show on the continent in the world's largest show building. Beautiful paintings in two art galleries. Science and invention in the Electrical and Engineering building. National motor show in the new Automotive Building. Glittering Pageant "Montezuma" depicting the conquest of Mexico by Spanish adventurers, nightly from Aug. 28 to Sept. 9. Sculling races for the world's professional championship. Band of His Majesty's Scots Guards and thirty other bands. World's championship Marathon swims — Women's, Friday, Aug. 25; Open, Wednesday, Aug. 30; and other international competitions afloat and ashore.

For fourteen days and nights this colossal annual Exhibition will be a Mecca of inexpensive recreation and education for everyone. Plan to come this year. Exceptional excursion rates arranged. Consult local agents. Railways, Steamships, Motor Coaches.

Display Space—Manufacturers and others planning to display their products or services at this "Show Window of the Nations" are requested to make early application to the Canadian National Exhibition, Lumsden Building, Toronto.

WM. INGLIS, *President*
H. W. WATERS, *Gen. Manager*

The WORLD'S LARGEST ANNUAL EXHIBITION
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INFLATION IN U. S. MAY BE COMPARED TO GERMAN PLAN

Early German Inflation Experience Might be Guide for Future

Students of stock market movement carefully study previous experience, in order to determine the trend of any current movement. In the same way one might turn to previous experience in inflation in order to determine what will be the result of the American experiment. The reflation programme in the United States—the difference between reflation and inflation being that the former is controlled—has a parallel in the early inflation movement in Germany. In the June, 1933, issue of Review of Reviews there appears an article by Mr. Lawrence Valenstein, dealing with the German inflation. Excerpts from this article, appearing below, are taken from a folder published by A. McKim Ltd., entitled "The Upward Trend of Business."

"The outstanding example of inflation in modern times is Germany. * * * Although the conditions that led to inflation in Germany do not exist in this country today, some of the principal events in that nation may have a parallel here.

"A big point has been made, in all discussions at home about inflation, concerning the ability of the masses to buy should prices go up. What are the advantages of rising prices, many ask, if people cannot afford to buy at higher prices?

"That point was also made in Germany in the early days of inflation. And, as a matter of fact, the buying power of the German wage and salary earner steadily lagged behind the rise in prices * * *

"Yet Germany found, first, that the hidden wealth of the country surpassed all expectations. This is a point all too frequently overlooked by economists and business executives in general. In every nation there are untold reservoirs of wealth that are not charted in business graphs. These come to the surface when commodities become more valuable than money.

"That is precisely what happened in Germany. Although that country, presumably, had been bled white by the war and by post-war developments, the early days of inflation promptly brought an increase in business activity based on enlarged buying not only by the trade but by the masses.

"The more rapidly prices increased, the more rapid did the momentum of consumer buying become. Business boomed, unemployment decreased, and sales became altogether easy. * * *

"While it is not generally anticipated that inflation in this country will ever run wild as it did in Germany, this ability of the German people to buy, although prices outran income, is significant in that it may furnish an answer to those who want to know how our own people, with their depleted purses, are going to buy. Eventually, matters did reach a stage in Germany where living standards started to decline—but that was in the later and more violent stages of the inflation.

"From the German manufacturer's point of view, it was soon accepted as inevitable that prices would be higher in the future. Consequently, there ensued a veritable orgy of buying by manufacturers. Expressed in terms of the stock market, they went 'short' of the mark. They put their money into raw materials, into new factories, new machinery, etc. This trend started almost simultaneously with the real start of inflation and it was accelerated in direct ratio to the fall in the value of money.

"This is not to be taken to mean that German producers became panicky. But they were quick to see that inflation was going to result in a boom—that the consumer was going to be able and anxious to buy—and they jumped at their opportunities. Incidentally, Germany's export trade also increased rapidly and played an important rôle.

"In any event, it was not long before unemployment was reduced to a minimum in Germany — factories worked day and night — the masses had money to spend and they spent it rapidly."

Some Differences

There should be noted about the German experience, the folder continues, this great difference between that situation and that of U. S. A. as regards what the final outcome is to be. The monetary mechanism is better understood now. The American programme is well named reflation, because the limits within which it must be kept are fully realized. Bankers and Government have the knowledge and the power of control. Not inflation, but failure to apply restraints in time caused the ultimate German crash. Today's authorities are not playing with fire, but using it.

Creamery Butter Output Slightly Lower in 1932

Production of creamery butter in Canada during 1932 amounted to 213,738,614 pounds, and the total value was $40,413,578. Compared with the preceding year the quantity of butter made shows a decrease of 12,216,632 pounds, or 5 per cent, and the value a decrease of $9,785,000, or 19 per cent. The 1932 quantity of output, however, was the second largest in the history of the industry, being exceeded only by the production of 1931. Average price per pound at the creamery in 1932 was 18.91 cents, compared with 22.22 cents in 1931. The 1932 average is the lowest price recorded for any year of the period commencing with 1900, when complete statistics of dairy factories were for the first time made available.

Ontario is first among the provinces with regard to quantity of output, having a total of 74,346,183 pounds, while Quebec is second with 64,889,670 pounds. The relative position of each province with respect to the total output of creamery butter in Canada in 1931 and 1932 is shown in the following statement of percentages, the figures for 1931 being placed within brackets: Ontario 35 (34), Quebec 30 (31), Alberta 10 (10), Manitoba 9 (9), Saskatchewan 9 (8), Nova Scotia 3 (3), British Columbia 2 (3), and New Brunswick and Prince Edward Island each 1 (1).

Other People's Views

The House of Morgan

London Times: There is no doubt of it, and there is no doubt that the house of Morgan has a record as honorable and as constructive as any in the long roll. It is a thousand pities that the proclamation of this truth should be unpopular in the United States today, and it is profoundly to be hoped the new system, whatever it may be, will not too severely restrict the firm's opportunity of public service. In the homely American phrase, it would be foolish to throw away the baby with the bath-water.

In The Cave of Adullam

Fort William Times-Journal.—The reason for the rally to the new standard is age-old. It dates back at least as far as the time of depression in Palestine under King Saul, when David was able to gather to him in the cave of Adullam every one that was in distress and every one that was in debt and every one that was discontented. The description of David's supporters seems to fit almost exactly the supporters whom the C. C. F. movement has gathered under its banner. They are rebels against existing conditions which have fostered distress, debt and discontent.

Whether David issued a manifesto from his cave history does not relate, but it may be inferred that he made a number of promises of better times, if he were placed in power, since his opposition scornfully derided the prospect of David giving every one of them fields and vineyards and making them all captains of thousands and captains of hundreds. Which indicates that some sort of assurance of prosperity was given by David to his motley following. David did, in later years, attain rulership, but we are not told that the promises of Adullam were fulfilled.

Subsidizing U. S. Coal

Halifax Chronicle. — "The Maritimes are helping to pay the cost of freight carriage through the canals from which it reaps no profit whatsoever. On the contrary it is paying out moneys to injure itself. Every pound of coal which comes down the canals comes free. We help to pay the charges which are borne by Canada. Thus we in the Maritimes are subsidising every ton of American coal which comes down the canals. We are paying out money every year to make it that much harder for our coal to compete in the central Canadian market."

Economic Jingoism

New York Herald-Tribune.—It was the misfortune of Woodrow Wilson, having been elected upon the platform "He kept us out of war," within a few months to bring the country into the greatest of wars. Franklin Roosevelt took office upon a platform of economic accord, pledged to the gold dollar and the restoration of world trade. Within four months he has started a bitter currency warfare and ended all hope of increased foreign trade by adopting the policy of a regimented industry at home. The inconsistency of Woodrow Wilson was thrust upon him by fate. The economic jingoism to which the nation to its astonishment now finds itself committed was not compelled. It was adopted voluntarily by President Roosevelt. It is being carried into effect with a truculent disregard of the needs of other nations.

Li Hung Chang on Wheat

Northwestern Miller. — What happened to the ignorant outside speculator in the late mad rush to make fortunes by gambling in wheat will remind older members of the Canadian trade of a story about Li Hung Chang, one of the wealthiest and most powerful of that exceedingly able group of men who ruled in China in the earlier years of this century. He was crossing this country in very great state on his way home from England, and while in Winnipeg was taken into the trading room of the grain exchange as a distinguished guest. When everything had been explained he was facetiously asked if he would like to take a little flyer in wheat. After a sufficiently solemn and impressive pause in which the idea seemed to be having his most serious consideration Li slowly replied: "I believe I would rather sit in at a game where I can see the dealer." There was a world of wisdom in that reply and its application to the speculator of today is even more complete than would have been the case with Li Hung Chang.

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Ford Motor Company, Dearborn, Mich.

To a man who asks the Reason

Henry Ford
Dearborn, Mich.

A man about to purchase an automobile, makes courteous inquiry on the subject of the Ford spring. He relates a recent experience in which a salesman felt he could not sell his own make of car without first depreciating the Ford car in this customer's mind. The main attack was made on the Ford spring. I take pleasure in explaining this point.

We use transverse springs in Ford cars for the same reason that we use round wheels—because we have found nothing better for the purpose.

Most people think that the only purpose of a spring is comfortable riding. But springs, and even very flexible springs, can cause discomfort as well as danger. A good spring must not only be comfortable—it must be safe. It must also assist operation economy. The spring we use serves all three purposes.

A transverse spring—which simply means a spring set crosswise—gives comfort. It is like the wings of a bird—the tips move most, while the body remains steady. I cannot prove that in a letter, but you can prove it in a Ford V-8. Any dealer will gladly allow you the opportunity.

The safety reasons for the transverse spring may be simply stated. In rounding a curve or turning a corner, one side of the car naturally lists downward. Transverse springs do not lift up the opposite side. They actually decrease the car's lean-over. Each spring is set in line with the axle and is attached at its center to the frame. This tends to prevent that swaying on a curve which is so uncomfortable and often dangerous. Notice for yourself how greatly these springs control this in our car.

Transverse springs also make steering and braking exceedingly safe. The Ford car is not driven through its springs. Hence the axles do not see-saw back and forth and so cannot interfere with normal steering and braking action.

Now, about economy. Unsprung weight is that part of the car weight that does not rest on springs. For tire economy it must be low in proportion to sprung weight. It must be low to prevent excess jarring of the frame and body. In the Ford car it is low, due to the use of transverse springs.

We choose to retain the transverse spring for the above good reasons. From every point of view it justifies our choice. If there had been anything better for our car, we would have used it.

Henry Ford

This letter from Henry Ford is published by the Ford Motor Company of Canada, Limited. It will be of interest to motorists as it explains an exclusive feature of the Ford car.

HYDRO HEADS EXPLAIN COSTS ON RATE CUTS

Commission Recommends Refunds of $248,966 to Consumers

ANNUAL SURVEY

Cost to Consumer Basis of Recently Announced Revenue Reductions and Cash Refunds

Hydro-Electric Power Commission of Ontario has recommended rebates and rate reductions in urban municipalities of the province amounting to $248,966. This is the result of examination of accounts and regulation by the provincial commission of rates of the urban municipalities which are part of the system. The Commission informs the urban hydro systems where they should rebate and where they should alter rates on the basis of accounts of various local bodies. The object of the survey which is carried out annually is to bring charges to consumers to a basis of the cost of power supplied, and is explained below by Hydro engineers.

These rebates and rate changes are suggested to the local bodies by the provincial commission, and they are invariably adopted, The Financial Post is informed by Hydro officials. These recommendations are usually made annually.

Recommended refunds amount to $228,108, and revenue decrease due to suggested rate alterations amounts to $20,857, making a total of $248,966. The systems in which the refunds are recommended and number of municipalities affected by rate changes are shown below:

Rebates to Consumers and Number of Municipalities in Which Rebates and Rate Changes are Recommended

System:	Refund $	No. of Municipalities Refunds	Rates Incr.	Rates Decr.
Niagara ...	85,703	33	9	43
Georg. Bay .	6,429	5	4	14
Eastern Ont.	135,976	12	3	15
Thunder Bay	......	..	..	1
North. Ont.	......	..	..	..
Total	228,108	50	16	73

Cost to Consumers

The Ontario Hydro is operated on a basis to furnish power to consumers at cost. Each year it is necessary to adjust rates and make allowances to bring charges into line with this policy. Engineers of the Ontario Hydro have furnished The Financial Post with a summary of the methods by which this is done. It reads, in part, as follows:

"The Power Commission Act provides all municipalities shall keep records of the operation of the local hydro-electric system in a manner as provided by the provincial commission. The records and accounts, therefore, of all hydro municipalities are kept according to a standard system of accounting.

"The details of the capital cost of the local systems, and, also, the actual cost of operation, are in sufficient detail to permit annual studies being made for the purpose of rate adjustments, in order that each class of service shall bear its proper share of the operating expense.

Analyze Systems

"Each year, with the assistance of the staff of the various local commissions, the engineering staff of the provincial commission make a detailed analysis of each local system to determine the cost of supplying service to each class of consumer: domestic lighting, commercial lighting, commercial power, street lighting, waterworks, street railway, etc. In making this analysis, it is necessary for the commission's engineers to have a complete record of the capital cost of all of the various items which form part of the plant of the local distribution system, such as, lands, buildings, transmission system, substation equipment, distribution system, copper, poles and equipment services, underground system, line transformers, meters and devices, street lighting equipment.

"In so far as is possible, the above division of plant is charged directly to each class of service. Where the plant is used jointly for the various classes of service, a division of the capital of the various items is made among the various classes in proportion to the actual use made of such capital by each class.

"On the basis of these capital divisions, the share of the debenture charges is allocated to each class of service; that is, to lighting, power, waterworks, street lighting, street railway, etc.

"The operating costs of the system are taken from the records of the local commissions and subdivided under the following heads: substation operation, substation maintenance, distribution system maintenance, line transformer maintenance, meters and devices maintenance, consumers' premises expenses, street lighting maintenance, regular and ornamental, billing and collecting.

"The whole calculation in connection with these analyses involves detailed knowledge by the engineers making the analyses of the operations and characteristics of each distribution system. These analyses are made with the full co-operation of the management of the local systems.

"The basis on which these analyses are made must be revised slightly from time to time to keep pace with the changes in the use of power by the various classes, in order that the division of the costs may be equitable.

"The Power Commission Act provides that power for municipal services, such as, street lighting, waterworks pumping, sewage pumping, municipal street railways and other municipal services must be supplied "at cost" and any surplus accruing above cost in supplying these services must be returned to the general fund of the municipality.

"All rate adjustments are made on the basis of the annual analyses, as above described, and as nearly as possible the rates are adjusted up or down periodically to meet cost. This is done at least once each year, and it is the endeavor of the provincial commission to adjust the rates in all municipalities so that sufficient revenue is obtained from each class of service to meet the cost of supplying such service.

"The form of rate used for each class of service has been changed from time to time to meet changing conditions, in order that service may be supplied to all customers on as equitable a basis as possible.

"The form of rate to light and power users has been changed very materially a number of times during the past 20 years. This has been done to meet changing conditions in the use of current, and, also, for the purpose of encouraging the use of electric current by the consumers."

Vancouver Leading Silk Port

A report of the Industrial Commissioner of the Vancouver Board of Trade points out that Vancouver continues to be the premier silk port of the Pacific Coast, having handled 62,279 bales in 1932.

Acting Manager

C. H. LANDER

Recently appointed acting general manager of National Drug & Chemical Co. Mr. Lander joined the company in 1911, has been general sales manager since 1927.

BUSINESS ACTIVITY BEING MAINTAINED AT JUNE LEVEL

Increased Export Demand Helps Many Industries

That July business activity was maintained at the same level as in June, which was slightly better than a year ago, must be regarded as the best possible showing in view of the breakdown of the World Economic Conference, the recent stock market losses and the gradual contraction of the western wheat crop, the current monthly letter of the Canadian Bank of Commerce states. It remains to be seen, the letter continues, whether these depressing influences will continue to be counteracted by the healthy elements which initiated the upturn in Canadian business.

Newsprint leads all major industries in revival both because it is the leading manufacturing industry of Canada and also the first to revive. Almost equally impressive is the improvement in other wood and wood products industries, it is pointed out, logging and lumbering showing substantial improvement in both the Maritimes and British Columbia.

Export Trade Better

Increased export trade has been the feature of the improvement in both the lumber and automobile industries while mining has been also stimulated by improved demand, particularly nickel and asbestos.

Reference to the July employment figures, the letter points out, show the broad advance that has been made in many other industries and is perhaps the best indication of the revival in conditions. More specifically, the letter states, in part:

"The extent of this upward movement is disclosed by the cumulative records for the major industries and for employment. The newsprint industry deserves first consideration, not only because it is the leading branch of manufacture, but also because it was the first to revive. Excessive stocks have not been noticeable during this depression, for, although a tendency toward the accumulation of supplies showed itself from time to time between 1930 and the first part of 1933, this has since been largely offset by a subsequent decline and there has never been at any time more than six weeks' supply in the hands of the American publishers, its largest users. It is therefore of outstanding importance to note that the rise in production coincided with a reduction in stocks and, of even greater consequence, with an increase in consumption in the United States for a longer period than has been the case in former years.

"There is an equally impressive record in the other important branch of forestry, the lumber industry. Production in the three months ending June in the major area, British Columbia, was nearly treble that in the preceding quarter; the June cut of 183,000,000 ft. b.m. was almost equal to that of May, 1932, the month that immediately preceded the decline which continued almost without interruption until March of this year. Domestic building activity, while increasing somewhat in recent months, has continued far below normal, and the inducement for this improvement in lumbering has been a greater foreign demand.

"The automobile industry has realized the optimistic hopes held for its future at the beginning of the year. Production of cars of all classes in the second quarter was about 13 per cent higher than in the like period of last year. Again we find export business the most influential factor, for while sales have been of such large volume in certain centres as to strain the facilities of local dealers, a decline in total domestic sales has continued to be recorded. This development has, however, been completely overshadowed by a marked increase in foreign sales.

"Mining has also been stimulated by more active foreign markets, the noteworthy improvement being in two branches of the industry which were formerly the most depressed, namely, nickel and asbestos. The latest production returns, those for May, show that the output of nickel was the largest for any month since the spring of 1931, while that of asbestos was the highest during the first-five-month period of the current year.

"Turning to the official export returns for June, however, we find that shipments of both products to foreign markets were in excess of the preceding month, as well as of June, 1932. Production and exports of copper, lead and zinc have varied from month to month, but the general record has been satisfactory. Gold production has been on an ascending scale although, after allowance is made for the exchange compensation, there is little change in value from that shown in last year's records; it is apparent from these that the gold-mining companies have found in the premium on the price of their product an opportunity to raise more low-grade ore, the effect of which has been to expand their operations."

"We have ten departments of agriculture, one in Ottawa and one in each province, and yet their work has never been co-ordinated; duplication and overlapping persists, to the cost of economy and efficiency." — Hon. Vincent Massey.

DOMINION STORE OUTLOOK BETTER THO' SALES DOWN

Earned 55 Cents Per Share in Six Months; 79c in 1932 Period

Dominion Stores Ltd. earned 55 cents per share in the six months ended June 30 against dividend requirements of 60 cents and earnings in the corresponding period of 1932 of 79 cents. Reduction in earnings is due principally to sharp reduction of sales in January and February in both of which months losses were shown on operations. Morley Smith, president of the company, states that the prospects for the second half of 1933 appear encouraging and if better industrial conditions and increasing price levels continue, as the present trend indicates, this should ensure substantially increased profits for the company in this period.

During the first half of 1933 the company had sales of $9,821,790 as compared with sales of $11,656,937 in the same period of 1932. Profit per dollar of sales was down to 1.6 cents from 1.9 cents. The company, however, operated an average of 46 fewer stores in the current year and is now operating 50 fewer stores than at the same time in 1932. The stores closed were mainly in industrial sections which have suffered most severely from the depression and these stores can be reopened when purchasing power returns nearer to normal. From March to the present time monthly operations have been profitable and despite the smaller number of stores operated sales in June and July were only 10 per cent under 1932 sales while profits have been at the 1932 level. Opening of several stores of a new type catering to customers demanding the highest quality and service have been a recent development that has been successful.

The income account of the company for the first half of 1933 and 1932 is as follows:

SALES AND EARNINGS
Six Months Ended June 30

	1933 $	1932 $
Sales	9,821,790	11,656,937
Less: Oper cost	9,603,262	11,382,102
Gross profit	218,528	274,835
Add other income:		
Interest earned	23,081	34,121
Discounts saved ...	22,385	30,965
Gross income	263,994	339,921
Less: Deprec.	84,720	84,786
Fed. inc. tax	22,500	31,900
Net profit	156,774	223,235
Earned per share	55c	79c

In comparison with the balance sheet at the end of 1932, the statement as at June 16, 1933, shows working capital very slightly higher at $2,609,642. Current assets are up to $3,843,671 from $3,609,122 while current liabilities are up to $1,234,029 from $1,006,882. No indication is given as to any change which may have taken place in inventories. Capital assets are carried at $1,489,686; cash surrender value of life insurance at $4,525; deferred charges and accrued revenue at $120,650 and employees' investment plant at $43.537. Among liabilities, reserve for fire losses is shown at $32,475 while reserve for losses on stores to be closed is down to $8,782 from $75,000 shown at the end of last December. There remain 282,382 shares of no par value stock outstanding valued at $3,119,875, while earned surplus is down to $1,106,908 from $1,113,623.

In giving an interim six months' report in addition to the usual six months' financial statement, the company has departed from previous practice. The statement made by the president can well increase confidence of shareholders and investors in the company which, in common with others, has suffered reduced sales as a result of the abnormal conditions prevailing in the first few months of this year and in addition lost the services of its president through the accidental death of the late W. J. Pentland.

Maritime Telephone Co. Stations Less at Mid-Year

From Our Own Correspondent

MONTREAL.—Maritime Telegraph and Telephone Co. reports a loss in stations installed of 52 during the month ended June, 1933. The total number of stations installed at mid-year was 38,147 compared with 38,199 at the close of the previous month.

Connecting companies reported 6,578 stations at the end of June compared with 6.572 at the end of May, while the Island Telephone Co. (a subsidiary) reported 5,498 stations, a loss of two during the month.

Toll traffic handled by Maritime Telephone recorded an improvement in June, more than 3,000 more calls being handled than in May. The number of calls reported by the company was 107,796, of which 101,479 were completed for a percentage of 94.1.

"International currencies must be stabilized. To stabilize currencies, either in relation to gold or by 'pegging' operations, barriers to international trade and exchange restrictions must be removed or materially modified. There is no use any nation agreeing to stabilize the exchange value of its currency unless it is confident that such value can be maintained on the agreed basis." — Sir Thomas White.

Public Utility Earnings

Can. Western Natural Gas

	1932	1933	Decrease
January	$296,751	$299,064	*$2,313
February	338,591	314,774	23,817
March	287,945	250,935	37,010
April	205,967	196,093	9,874
May	126,078	131,174	*5,096
Aggregate from Jan. 1 to May 31	1,255,332	1,192,040	63,292

*Increase.

Mexico Tramways, Group of Companies
(Canadian Currency)
Mexico Tramways & Subsidiaries

June:	1933 $	1932 $	Increase $
Gross earn. ...	226,665	194,990	31,675
Op. & depr. exp.	302,082	256,362	45,720
Net earnings ..	*75,417	*61,372	†14,045
Aggre. gross from Jan. 1 .	1,433,334	1,659,218	†225,884
Aggre. net from Jan. 1 .	*456,997	*376,240	†80,757

Mexican Light & Power & Subsidiaries

	1933 $	1932 $	Increase $
Gross earn. ...	703,210	668,239	34,971
Op. & depr. exp.	462,457	452,792	9,665
Net earnings ..	240,753	215,447	25,306
Aggre. gross from Jan. 1 .	4,565,601	4,887,382	†321,781
Aggre. net from Jan. 1 .	1,652,927	1,836,339	†183,412

*Deficit. †Decrease.

Codfish Market Survey Tragic Tale of Losses

Inspection Tour of Southern European Markets Revealed That Newfoundland Was Losing Owing to Lack of Grading and Poor Quality

Lack of reliable grading and of good curing is responsible for the losses which Newfoundland has experienced in her export markets for codfish among the southern European countries and only if and when stricter grading and better supervised curing are instituted will she be able to regain what has been lost and avoid further losses.

This is the gist of the report of Capt. A. Oldfield and D. J. Davies prepared for the Department of Marine and Fisheries following a tour of inspection of the fish markets in southern Europe this year.

The report recommends that compulsory grading be resorted to immediately to avoid further losses. Evidence was gathered on the tour that there was a preference for the Newfoundland codfish over the Icelandic, Russian and Norwegian fish which were taking its place but that dealers had been misled too often by Newfoundland exporters in grading and at other times were unable to obtain first-class fish.

Text of Report

Preference for the flavor of Newfoundland fish is the one optimistic note contained in the report, condensed text of which is as follows:

"Every importer in Oporto stated definitely that the consumers of Portugal preferred the taste of Newfoundland fish, but in spite of that preference, we found that we are rapidly losing our hold on this very important market.

"The following statistics will prove our loss of business in Oporto:

Importation of Newfoundland Fish Into Oporto

	Cwts.
1927	371,806
1928	312,472
1929	249,495
1930	142,716
1931	157,850
1932	169,004

"Newfoundland's lost ground has been taken by Iceland and Norway, but the greater part of our lost market has been taken by Iceland. First and foremost, our country has lost ground on account of misrepresentation by our shippers of qualities, such as sizes and the condition of fish.

Lack of Grading

"Next important cause is the lack of grading and standardization. Our fish arrives in the market, good grade and poor grade mixed together, whereas the Iceland fish arrives in bales marked No. 1, No. 2, and No. 3 Sunburnt, Dun, etc., so that buyers know exactly what they are buying and they have absolute faith in the Icelandic descriptions of the Icelandic bales. Our fish arrives in bulk cargoes and it has to be culled and baled in Oporto.

"In one particular case we found a cargo consisting of shore fish and wet salted. This cargo arrived in a very poor condition and we came to the conclusion that on no account should these two types be sent to the markets in the same shipment.

Oporto Requirements

"In our opinion, steps must be taken immediately, to guard against our loss of market here and to help us in regaining our lost ground. Shipments must be graded and our certificates must accurately describe the parcels, whether in bulk or in bales. If a cargo is shipped in bulk the following would be an ideal description: 50 per cent No. 1, 35 per cent No. 2 and 10 per cent No. 3 and not more than 5 per cent cullage.

"Steamer shipments should be regulated to make it impossible for two or more steamers to arrive close together.

"With regard to sales, it should be easy to negotiate outright sales in Oporto when faith is established in our standardization.

"Owing to the nature of the market, and the fact that all qualities can be sold, it is necessary, in our opinion, to appoint a government representative for Portugal with headquarters in Oporto. All competing countries are already represented.

Lisbon Market

"Lisbon is a very small market for Newfoundland fish, and therefore we confined our attention to making enquiries about the kind of fish that appeals to the Lisbon district. We found that there is a decided preference for small fish, properly cleaned and well split.

"Again it was stated that the consumers preferred the taste of Newfoundland fish to that of any other salt cod fish on the market, but the appearance and uncertain qualities of our product had proved the main factors in helping our competitors to oust us out of this important market.

"We spent three days on the Alicante market. The cold storage facilities, or rather the cold room facilities of Hawes & Co., Lazo's and Campus are both excellent and extensive. We have no serious competitors in Spain in the type of Spanish shore fish that we can produce. We are apparently getting the right article for the Southern Spanish markets with the exception of Barcelona.

"Again the strictest attention must be given to grading and standardization, in fact, we are told that if this type of fish is well graded, that there might be a possibility of increasing our market in Southern Spain very considerably. It may be possible to get Southern Spain to absorb an additional 80,000 quintals of prime Spanish fish. We should do our utmost to try and supply this additional quantity, otherwise there is a possibility of other countries copying our cure, and taking away from us a portion of even some of our present Spanish market.

"Our quality of Labrador sent to the Spanish market is outclassed by Iceland fish. One lot we saw could only be classed as very inferior. This state of affairs is, in our opinion, due to wrong curing methods.

Quality Paramount

"With regard to qualities. It is only necessary for the people who are accustomed to handling shore fish to exercise greater care in separating the grades. If there should be a proportion of bad fish it should be classed as 'cullage' rather than spoil the better grades by its inclusion in the better grade casks.

No Sales in Barcelona

"Though Barcelona is not so very far removed from Alicante and Valencia, we find that here there is no Newfoundland fish offered for sale. The market is almost exclusively Icelandic and we only stayed at Barcelona for a few hours, until we got a train for Genoa.

"The Genoa tale we have to relate is simply tragic. Sentiment is in our favor, the flavor of our product is preferred. Firms are still in existence who did business with our country many generations ago, but we have lost, perhaps not irretrievably, this great market.

"There was an attempt made in 1932 to reintroduce Labrador fish to the Genoa market, but the poor color of the fish did not appeal to the consumers, so the future marketing of Labrador fish in Genoa depends on the ability of curers to supply clean white fish. If this can be done and done quickly, before Iceland and Faroe fish get a further hold, there is a definite possibility that our country may have a gradual increasing market in the Genoa district.

Same Tale From Naples

"In Naples again we are up against the same tale, Newfoundland losing ground in our competition with other exporting countries, a pitiable state of affairs when we consider our long standing connection with the Neapolitan buyers, and the decided preference of the people for the taste of Labrador fish. Again the same causes are in evidence, want of care and attention to our cures and lack of knowledge of the type of cure necessary to appeal to this market. Iceland with her ceaseless efforts in studying the requirements of the consumers is again predominant.

"Labrador fish has been the greatest sufferer in this competition, and very soon, unless drastic measures are taken immediately, Labrador fish will be completely ousted from the Italian markets.

Iceland Competition Again

"Patras produced the same tale of woe. We visited buyers and inspected fish at warehouses and cool storages. Again Iceland fish is our great competitor. This fish has a perfectly white appearance, whereas our Labrador, apparently again through wrong curing methods, appears black and dirty on the surface. No attempt whatever is made to grade Labrador fish for this market. Patras, which supplies the rest of Greece, is a very important market, and the total imports amount to about 200,000 quintals.

"Provided Labrador is clean, and cured according to the requirements of this market, we should be in a position to capture by far the greater portion of the total imports. The package preferred in this market is the 2 cwt. cask. We have full notes on the type of cures preferred in the Patras market.

"During our stay at Patras, a group of the leading buyers, who expressed individually and collectively a preference for Labrador, met in conference. Later, they invited us to meet them. At the joint meeting, they expressed great dissatisfaction at the poor quality of our fish, and they strongly hoped that the new policy of the Government would bring about an immediate improvement. In fact, they stated in the strongest terms, that if no improvement was in evidence next season, we might as well wish 'good-by' to our Greek markets.

"We are both extremely sorry to have to submit what may be called almost a tragic tale, but by making a great effort during the coming season in instituting standardization and better curing methods, and relying upon our long association with the various European markets, we have strong hopes of regaining a considerable portion of our loss markets in the immediate future."

City of Toronto
Guaranteed 4½% Bonds

Due September 1st, 1953. These Bonds are issued by the Toronto Harbour Commissioners and the principal and interest are guaranteed unconditionally by endorsement by the City of Toronto.

Price: 97.50 and interest, yielding 4.68%

Mail enquiries receive prompt attention.

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Pine Falls, Manitoba

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Northwestern Power Meeting Put Off Again

From Our Own Correspondent

MONTREAL. — Preliminary arrangements are being made for a meeting of one-man sub-committees from various protective groups in Northwestern Power Co., Winnipeg Electric and Manitoba Power Co. in an effort to reach a satisfactory solution to the problem facing the three Manitoba utilities. A meeting of Northwestern Power bondholders, called for August 2, was adjourned until October 4.

Champlain Oil Products Limited

500,000

Cumulative Participating No Par Value Preference Shares

Dividends are payable quarterly on the 15th days of November, February, May and August and accumulate as from August 1st, 1933, at the rate sixty cents (60c) per share per annum and these shares participate rateably with the Common shares of the Company in any distribution of dividends after the Common shares have received cumulative dividends at the rate of forty cents (40c) per share per annum. The terms, provisions and rights of these shares will be furnished upon request.

Transfer Agent: Montreal Trust Company, Montreal and Toronto
Registrar: The Royal Trust Company, Montreal and Toronto

CAPITALIZATION

	Authorized	Issued
Preference Shares, no par value..........................	1,000,000 shares	500,000 shares
Common Shares, no par value..........................	150,000 shares	150,000 shares

The following is taken from a letter written to us by Harry Snyder, Esq., President of the Company:

THE COMPANY

Champlain Oil Products Limited was incorporated in December, 1932, under the laws of the Dominion of Canada as an operating and holding Company to engage directly and indirectly in the refining and distribution of petroleum products. Since that date, the Company has acquired all of the capital stocks and/or the business and properties as going concerns of the following companies with the exception of Automobile Owners Association, Limited, of which Company there are outstanding, in the hands of the public, 1,268 Class A shares out of a total issue of 13,768 shares.

Automobile Owners Association, Limited,
United Auto Service, Limited,
LaSalle Petroleum Refinery, Limited,
Sylvestre Oil Company, Limited,
Loyal Oil & Gas, Limited,
Excel Petroleum, Limited,
R. Hotte Oil Co., Limited,
Adanac Oil & Gas, Limited.

These companies or predecessors have been in continual successful business from the following dates respectively:—

1921, 1922, 1925, 1929, 1917, 1931, 1882, 1929.

Through its subsidiary companies Champlain Oil Products Limited is engaged in the handling of petroleum products, from crude oil to gasolene, as well as the wholesale, retail and commercial distribution of gasolene, kerosene, lubricating and fuel oils throughout the Province of Quebec and Eastern Ontario. In addition, the Automobile Owners Association, Limited, and United Auto Service, Limited, give towing, repairing and emergency service to their members in the Montreal District, and are engaged in the general distribution of all requirements of the motoring public.

A small refinery is owned by the Company and is located in Montreal East, Que. In addition bulk storage facilities are located at Outremont, Pointe St. Charles, Viauville, Montreal East, Victoriaville and Quebec City. On the Island of Montreal the Company owns or operates 85 service stations, and throughout the territory served it owns, operates or supplies 474 other stations and outlets.

PURCHASE CONTRACT

The Company has insufficient refining capacity to supply the demands for its products, consequently the Company has contracted with three large Canadian Oil Companies for the purchase of its additional requirements of gasolene and other petroleum products, excepting Pennsylvania Lubricating Oil, which the Company may consider it desirable or necessary to job or purchase direct, upon terms which assure a substantial margin of profit to the Company. The contract is for a term of ten years dating from January 1, 1933, and is renewable at the option of the Company for a further term of ten years. This contract is one of the Company's most valuable assets.

EARNINGS

The report of Messrs. P. S. Ross & Sons shows that the consolidated net earnings of the subsidiary Companies for the 1932 period, after providing for depreciation, bad debts and income taxes were $256,177.58. These earnings are based on a gallonage of over 26,000,000 of petroleum products handled during the year by the subsidiary companies who purchased their supplies independently in the open market. By virtue of the additional margin of profit resulting from the Purchase Contract, and of the unified control due to the consolidation, it is estimated that net earnings after full depreciation for the current year will amount to over $600,000, or at the rate of twice the dividend requirements upon the Preference shares. These figures are based on an already established greater gallonage for the year to date, and are estimated by the officials of the Company and its auditors, Messrs. Sharp, Milne & Company.

ASSETS

The cost of the capital shares of subsidiary companies and/or the properties and businesses acquired, amounted to $4,466,326.55, and as at April 30th, 1933, consolidated working capital amounted to $205,951.74.

The 150,000 no par value Common shares which are junior to the Preference shares represent an investment by the holders thereof of $1,600,000, or at the rate of $10.66⅔ per share.

Apart from some minor obligations assumed upon the purchase of various small properties, and amounting to a total of $146,759.15 as at April 30th, 1933, the Company has no Bonds or mortgage obligations outstanding.

The Company has covenanted that it will not vote or cause to vote the shares of its subsidiary companies to authorize the issue by any subsidiary of any bonds, mortgages, stocks or other securities, excepting to the Company, and under the By-Laws of the Company no securities ranking senior to these Preference shares may be issued by the Company without the favourable vote of two-thirds of the outstanding Preference shares at a meeting called and held for that specific purpose.

THE MANAGEMENT

The same management which has been responsible for the success of the subsidiary companies will continue in active direction of their affairs. The following gentlemen constitute the Board of Directors of the Champlain Oil Products Limited:—

J. C. E. Trudeau, President of Automobile Owners Association, Limited;
J. Romeo Gauvreau, President of Loyal Oil & Gas, Limited;
Joseph Elie, President of LaSalle Petroleum Refinery, Limited;
A. H. Paradis, President of Excel Petroleum, Limited;
F. R. Sylvestre, President of Sylvestre Oil Company, Limited;
G. A. Trenchard, Vice-President and Comptroller, Champlain Oil Products Limited;
P. C. Dings, President of Champlain Oil Sales, Limited;
Harry Snyder, President, Champlain Oil Products Limited.

All Legal details in connection with the above outstanding shares have been passed upon by Messrs. Mitchell, Ralston, Kearney & Duquet, and by E. R. Parkins, K.C. The accounts of the Company have been audited by Messrs. Sharp, Milne & Company, and Messrs. P. S. Ross & Sons have made an examination of the accounts of the Company and its subsidiaries as at April 30th, 1933.

Price: $7.50 per share to yield 8%

NESBITT, THOMSON & COMPANY LIMITED

JOHNSTON & WARD **W. C. PITFIELD & COMPANY LIMITED**

ERNEST SAVARD LIMITÉE

The statements contained herein are based upon information which we believe to be reliable but are in no event to be construed as representations by us.

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News of Investment Markets

STRENGTH SHOWN BY BOND MARKET IN QUIET DEALING

Yields on Gilt-Edged Issues Near Lowest Since 1915

Sustained strength featured a quiet Canadian market for gilt-edged bonds during the week ended August 8. The enthusiastic reception of the Canadian loan in London, and high quotations recorded immediately upon listing of the issues were accounted the chief reasons.

Western provincial issues regained ground lost the previous week. Prospects of an unusually small wheat crop have not caused the bonds to drop materially.

Corporation liens were quiet, showing mixed movements, but establishing no definite trend. Paper bonds inclined to strength as did some public utility issues.

Average yields on the highest grade Canadian governmental bonds are now near their lowest point since about 1915, as nearly as can be computed. A 4½ per cent yield on prime securities is becoming rare. But bonds have not yet gone to levels which would indicate that the Dominion can expect to convert 5½ per cent bonds to a four per cent basis in the autumn refunding operation. But 4¼ per cent is coming within reach.

Gains Recorded

Gains of one-quarter to one-half a point were recorded by gilt-edged issues during the week. As a result, The Financial Post's average yield on seven representative bonds dropped to 4.431 per cent. Comparison of this figure with recent averages is shown below:

Average Yield on Seven High Grade Canadian Bonds

Aug. 8	4.431	July 29	4.453
Aug. 4	4.433	July 28	4.453
Aug. 3	4.433	July 27	4.460
Aug. 2	4.441	July 26	4.476
Aug. 1	4.447	June 15	4.483
July 31	4.447	June 1	4.509

Among the western provincial issues, Manitoba 5's of 1959 were up a half point to 92½. Alberta 4½'s of 1956 rose one quarter to 87¾. British Columbia 6's of 1947 held even at 102. Saskatchewan 5½'s and 6's of 1952 were up one-quarter and three-quarters of a point to 94¼ and 99¾ respectively.

See Little Improvement

Authoritative information gathered in the west by banks indicates that little improvement in general conditions can be expected this year. Those on the scene feel that the small crop will offset any rise in grain prices, The Financial Post is informed. This has not been reflected in the bond market, however, for two chief reasons. First, the west may gain by sale of the Dominion Government's huge wheat holdings. Second, finances of the western provinces have been somewhat improved, chiefly by cutting expenses. But balanced budgets have not been achieved, and new financing cannot yet be carried on at very favorable rates.

Among corporation bonds, Abitibi 5's of 1953 moved up about 1½ to 28 on the bid side of the market. Some other paper bonds were up too, but Price Bros. 6's of 1943, relinquished some of their recent gain. Comparative prices on corporation bonds will be found on page 12.

The largest gain shown among the corporation liens was by B. C. Power 5½'s of 1960. This issue advanced 6 on the bid side from 87 to 93. Gatineau Power issues were also fractionally higher. Other public utility bonds were mainly steady or stronger.

B. A. Oil convertible 5's of 1945 lost a point to 98 bid. C. P. R. convertible 6's of 1942 were firm at 110½.

Heads Montreal Chain

M. ZAHLER
President of Buywell Food Markets, which reported a small operating profit in its first year's operation. Buywell acquired seven of the ten stores formerly operated by the bankrupt Stanford's Estate.

FEAR MORATORIUM ARGENTINA'S DEBT MAY BE PENDING

Resignation of Finance Minister Caused Political Turmoil

Nervousness has been created among holders of South American bonds by possibility of a moratorium on Argentina's external debt. Some observers have suggested that an era of expropriation of foreign owned railways and industries may be pending in Latin America. The Argentine situation is aggravated by resignation of Alberto Hueyo, minister of finance for the republic.

Hueyo has been an ardent and plain-spoken advocate of payment of the Argentine foreign debts in full. His resignation is said to have caused a turmoil in political circles, and is seen as indicating a moratorium.

President Justo of Argentina has recently reiterated the aims of his former finance minister, Hueyo. But this is discounted because it is contended that there is pressure in Argentina for concentration of the nation's efforts on remedying its internal difficulties regardless of foreign creditors.

Moratorium Proposals

An Argentine senate commission was recently reported to be considering suspension of loan amortization for three years coupled with payment of only half interest in cash, the other half in interest-bearing certificates. Other similar schemes have been advocated recently. In preparing the 1933 budget the Argentine legislature provided for reduction of sinking funds of some 50 million pesos per annum. Up to the present such plans have been rejected because of Hueyo's opposition. With him gone, there is no ardent supporter of the pay-in-full policy.

No immediate change in payment plans is seen because the Argentine embassy to the United States has been authorized to arrange August interest payments in full. Any modification of the policies of the republic on its debt would have a strong bearing on action of the provinces and cities of Argentina, bonds of which are held in Canada and the United States.

FRONTENAC OIL SELLS BIG BLOCK COMMON STOCK

New Issue Affects Conversion Rights of Bonds

From Our Own Correspondent

MONTREAL. — McColl-Frontenac Oil Co. has made application to the Montreal Stock Exchange to list an additional 50,000 shares of common stock. The outstanding n.p.v. shares will be increased from 500,000 to 550,000. The additional 50,000 shares have been underwritten by the firm of Nesbitt-Thomson and Co. at $10 per share. The net to the company of $500,000 is to be used to redeem some of the company's first mortgage issue, of which $9,880,000 are presently outstanding.

The current market price of the bond issue is presently about 93. With the proceeds from the sale of this additional stock issue, if prices remain unchanged, the company will be able to redeem bonds having a par value of $537,000. The common stock of the company at present is on a 60 cents a year dividend basis. As the shares have been underwritten at $10 each, the cost of the money to the company is identical with the 6 per cent which is being paid on the bonds.

Affects Conversion Rate

Consequent upon the issue of this additional stock changes are made in the rate on converting the 6 per cent first mortgage and collateral trust bonds into common stock. Under the terms of the issue the holder of a $1,000 bond could convert it into common stock on the basis of $50 par value for each share of common stock.

By increasing the amount of outstanding common stock, the conversion basis is changed so that instead of $50 face value of bonds being equivalent to 1 share of common stock, the basis now is between $45 and $46 face value of bonds for each share of common stock.

Operations Show Expansion

The listing application of the company submitted to the Montreal Stock Exchange shows that the company owns all the shares of McColl Bros. and all but 23 shares of the Frontenac Oil Refineries. To provide for the ultimate exchange of these 23 shares, of the subsidiary, McColl-Frontenac has deposited 23 of its own shares with a trust company.

The listing papers indicate that McColl-Frontenac is continuing to expand where opportunities exist. Distributing warehouses have been increased and now total 148. The service stations number 233, a slight increase since the beginning of the year. The company now has eight marine terminals located at Halifax, Saint John, Quebec, Three Rivers, Fort William, Kingston, Thorold and Windsor. It has its own storage plant and dock at Buffalo, where crude oil is received direct by pipe line from the wells and shipped to Toronto.

SMALL MERCHANTS GET BETTER BREAK

Trade Watches Operations of New Merchandising Plan for Roofing

Many hardware merchants are hopeful of the successful operation of the revised merchandising plan introduced a short time ago by roofing manufacturers in Canada, says Hardware and Metal, Toronto. As from the end of June last, Canadian roofing manufacturers made a considerable change in their merchandising plan on asphalt shingles. They made one price only to all classes of dealer trade, large or small; they did away with quantity rebates to dealers on asphalt shingles and sidings; they reaffirmed the plan of a service commission to legitimate wholesalers on asphalt shingles and sidings on their sales of these products direct to retail dealers and in fact made a slight increase in that commission, it being of course, necessary to show a legitimate wholesaler a margin of profit under the one price plan on his resale of these commodities.

The plan has been in effect only a short time and it is being watched carefully to see how it may develop in this field. It is a most interesting development as far as smaller retailers are concerned, because it is in line with the recommendations they have been making for some time that manufacturers should eliminate or greatly curtail the prevailing differentials in favor of large buyers. To an increasing extent the smaller merchant feels that he should not be discriminated against to such a large extent as has been the case in the past, merely because the territory he serves is not as broad or as productive as some other merchant's territory. On the other hand it need not be carried to such an extreme that throws any doubt upon the soundness of the policy of quantity discount. Smaller merchants welcome this development and will be glad to see it extended to other lines of trade.

REPORTS FINANCES B. C. MUNICIPALITIES

Inspector Says Record Good During Period of Depression

From Our Own Correspondent

VANCOUVER. — Municipalities of British Columbia have made an excellent record in carrying the various burdens imposed on them by the four years' depression and unemployment, in the opinion of Robert Baird, municipal inspector for the provincial government.

"The year was one in which the municipalities carried a tremendously heavy load, and the year's work is really a source of considerable satisfaction," stated Mr. Baird in his report on municipal finances for the year.

MATHEW MOODY TO PAY DIVIDEND TO BONDHOLDERS

Bankrupt Implement Firm Sells Assets Under Trust Deed

From Our Own Correspondent

MONTREAL.—A notice has been despatched by the trustee to the first mortgage bondholders of Mathew Moody and Sons Co., agricultural implement manufacturers, with operations centred at Terrebonne, P.Q., that the company's assets have been sold and that a dividend of 5 per cent will be paid on monies realized on September 8.

This company was organized in the first half of last century. Until 1927 it was controlled and operated by the Moody family. In October, 1929, the Federal Bond and Share Corp. offered to the public 20,000 class A shares and 5,000 B shares in blocks of 4 shares of A and 1 share of B stock for $100 a block.

Bonds Still Out

On October 31 of the previous year, the company's balance sheet showed outstanding bonds to the extent of $172,300. In offering the A stock it was stated that with the proceeds it was the intention, among other things, to redeem the unconverted bonds and thereby eliminate the funded indebtedness.

Little progress was made with this intention and in July and August, 1930, the bondholders formed a protective committee to look after their interests. It was decided to sell the assets of the company which were pledged under the trust deed securing the bonds. The company was placed in bankruptcy and Douglas L. Ross appointed trustee. The assets have been sold and the trustee has advertised that the Bondholders Protective Committee has declared a dividend of 5 per cent out of the monies received.

Higher Rates Seen For Annuities

Annuity rates will probably be increased in Canada before the turn of the year, The Financial Post learns on good authority.

Insurance executives decline to commit themselves as to just when the increase will come but there seems general agreement that it will be within the next few months.

Last year Canadian companies raised annuity rates in Great Britain and a few months ago Sun Life of Canada increased its rates in the U. S. A. This was followed by a general upward revision among several leading U. S. firms.

The prospect of generally lower interest rates in the next decade is largely responsible for a rate revision. Incidentally this factor plus freedom from taxation is largely responsible for a remarkable growth in annuity business in Canada in the past year.

Investment Notes

British Opinion on Equities

BRITISH investment trusts have, on the whole, an established name for conservative management which, however, has not been proof against declining earnings in the last few years. Holdings of the better trusts include a substantial proportion of well-seasoned securities leavened by more speculative equities. Comment by the chairman of one such trust which has 46 per cent of its investments in ordinary and deferred stocks is of interest to investors generally at the present time.

Sir George A. Touche, chairman of the board of The Trustees Corp., in his annual address to shareholders made recently stated:

"If there is reason to believe that we are on the threshold of a gradual recovery in trade the relatively large percentage in equity stocks should contribute materially to an ultimate improvement in revenue. I say ultimately, because there is an inevitable period of waiting between the earning of profits and their distribution in the form of dividends. Allowance must also be made for the building up of depreciation and other reserves which tend to suffer in lean years.

"The least promising source of revenue is found under the category of foreign loans. No market is more discredited. When all allowance is made for the internal troubles of States and the difficulties of exchange, an uncomfortable impression remains that the will to pay has weakened. The long list of defaults, culminating in the abrogation of the Gold Clause in American Bonds, has given a rude shock to confidence. Many years may elapse before the investor will be tempted to risk again much of his capital in this class of security."

* * *

General Steel Wares

IMPROVEMENT in demand has been experienced by General Steel Wares Ltd. in recent months, it is unofficially reported, and it is to be noted that there has been a continuous market for the common shares since late in April. From a low of 75 cents a share the market price appreciated to a high of $6.50 per share at the end of June. Currently the shares are selling between $4 and $4.50 which compares with the equity of the shares back in 1929.

General Steel Wares Ltd. is quick to feel changes in economic conditions throughout Canada and during the past three years has passed through an extremely difficult period paying bond interest regularly although operating losses were shown and surplus was impaired. Through drastic curtailment of expenditures brought about by internal reorganization of both sales and manufacturing staffs economies to the extent of $1,750,000 annually have been made. Even on a smaller volume of business than was done in 1932 it would appear that an operating profit could be made. The covering of depreciation and bond interest does not seem to be a possibility of the current year but if demand for the company's varied products continues there should be no operating loss. Preferred dividends have not been paid since February 1, 1931, and are cumulative to the extent of some $787,500 up to the present time so that prospects for dividends on the common stock are still remote.

* * *

Home's Finances

IN THE absence of a financial statement by Home Oil Co. (none published since 1931) the recent official announcement that the company had $175,000 in liquid assets as well as extensive holdings in mining properties in the Bridge River area and that it had no liabilities, requires some explanation.

In the last financial report covering the fiscal year ended December 31, 1931, Home's liabilities to Imperial Oil were some $125,000, with no income from production that could possibly discharge this obligation. As recently explained to The Financial Post, the conversion of its liabilities to sizable assets is because of adjustments made in the drilling charges of Imperial against Home. A new interpretation of the contract is said to have been agreed upon. Just how such a sizeable adjustment could be effected after a lapse of nearly three years has not been explained to the shareholders but it is anticipated that a financial statement will be forthcoming from Home at an early date and that details of the adjustment will be given.

In explaining the delayed annual statement, Home officials said that it was not enlightening to shareholders to present a report of affairs as at December 31, 1932, when it was known that an adjustment was coming that would entirely alter its financial position.

* * *

Still Buying Abitibi

INTEREST in Abitibi Power & Paper Co. securities during its period of receivership so far has been in common stock and bonds mainly. Investors see a real chance of bonds coming back, and common stock at 2 apparently attracts those with gambling instinct as they think that they cannot lose much and might win a good deal.

No official report has been made by the receiver since September, 1932, but the company is known to be more active and to have had more business recently. That is in line with the experience of the industry as a whole. In recent years there has been a sharp recession in production during June, but in the present season, due to increasing consumption and declining stocks, mills have found business keeping up in a manner not experienced in recent depression years.

As it is difficult for American publishers to store more than six weeks supply of such a bulky product, the present increase in demand is encouraging to traders. The recession from 4 to 2 for common encourages traders, although the low for the year was 1-8. Preferred now sells at 6, the high for the year being 10 and the low 1. The 5 per cent bonds due 1958 are bid at 26 and offered at 28. Sales in New York are at 24½ U. S. money.

* * *

Oil Stocks Mark Time

MODERATE activity in the oil stocks such as Imperial Oil, International Petroleum, British American Oil and McColl-Frontenac, is a reflection of the conflicting ideas recently apparent in the oil industry of the United States when asked to prepare a code under the National Industrial Recovery Act. An important section of the industry contended that costs could not be fixed without prices being fixed as well, while another important section combatted this view.

Since Secretary of the Interior Ickes has been appointed to write a code of fair competition for the industry and James A. Moffett has been taken from Standard Oil of New Jersey to help him, it is now apparent that a code will soon be prepared under Government auspices. Slashes in crude oil prices accompanied the disagreement as to price fixing, and now the market awaits the code itself. Crude oil prices naturally affect the situation of Canadian companies materially.

Prospects for Wabana Outlined by President

From Our Own Correspondent

MONTREAL. — Commenting upon prospects for additional iron ore operations at Wabana, Sir Newton Moore, president, of the Dominion Steel and Coal Corp., says that under the agreement with the German importers, the company has a continuing contract. The importers were allowed to reduce their contract during the depression, but will make it up later. Conditions in Germany, according to Sir Newton, are reported as looking a little better though this improvement is not expected to be reflected in Wabana's operations until next season.

Under the contract the German ironmasters took 700,000 tons of iron ore yearly. During the current year shipments are expected to aggregate 300,000 tons.

The English market is taking several shipments this season, and this with possible shipments to the United States and a small quantity to Sydney would likely make up about the same ore export as last year, or a little more according to Sir Newton Moore.

CHAMPLAIN OIL SENIOR STOCK PUT ON MARKET

Montreal Distributing Unit Selling 500,000 Shares of Preferred

From Our Own Correspondent

MONTREAL.—Representing the first new industrial financing to be undertaken in some time, Nesbitt, Thomson & Co. and syndicate are publicly offering this week an issue of 500,000 shares of cumulative participating no par value preference shares of Champlain Oil Products Ltd.

Dividend requirements on the new issue amount to $300,000 per annum. Actual earnings for 1932 were $255,177, according to P. S. Ross & Sons, chartered accountants. The company is counting on a new contract for cheaper purchases of supplies to give it $600,000 in net earnings for 1933. But these earnings have not yet been established.

The official prospectus is rather general in its terminology. Apparently the company's most important assets is a contract for a supply of gasoline and other petroleum products with three Canadian oil companies. The contract is stated to be for a term of 10 years dating from the beginning of 1933 and renewable for a similar period at the option of the company. The names of the three contracting companies are not mentioned. Unofficially they are said to be Imperial Oil, British American Oil and McColl-Frontenac Oil.

Common is Cumulative

One of the features of the provisions attaching to the issue of the preference and common shares, is the grading of cumulative dividend rights to the common stock. The preference has prior cumulative rights on dividends up to 60 cents a share. Before the preference can participate in any further distribution of surplus earnings, the common stock is entitled to cumulative dividends of 40 cents a share per annum. After all accrued and unpaid cumulative dividends have been paid on both classes of stock, both share equally in any further distribution.

Common Controls

From the prospectus it appears that there is no provision for preferred shareholders being able to control the company or elect a majority of the directors in the event of dividends falling in arrears. To some extent this is offset by granting of one vote per share to each of the preferred shares, a total of 500,000 votes. But the common shares have ten votes each, making a total of 1,500,000 common share votes. Thus the common outvotes the preferred by three to one, even in the case of preferred dividends falling in arrears, judging from the descriptive circular.

It is also worthy of note that there is apparently no restrictive provision against further issue of preferred shares. Half the authorized preferred capital of 500,000 shares is now being offered. There is another 500,000 shares authorized which can apparently be issued without a majority approval from preferred shares already outstanding.

Particulars of the issue follow:

CHAMPLAIN OIL PRODUCTS
500,000
Cum. Part. N.P.V. Preference Shares

Capital:	Authorized	Issued
Pref. shares, n.p.v.	1,000,000 sh.	500,000 sh.
Common shs., n.p.v.	150,000 sh.	150,000 sh.

Company: Operating and holding company engaged in refining and distribution of petroleum products. Has acquired all the capital stock of United Auto Service Ltd., LaSalle Petroleum Refinery, Sylvestre Oil Co., Loyal Oil and Gas, Excel Petroleum, R. Hotte Oil Co., Adanac Oil and Gas and all but 1,268 class A shares out of 13,768 issued by the Automobile Owners' Association.

Purpose of Issue: Corporate purposes and to take care of purchase moneys used in acquiring properties.

Purchase Contract: Company has 10-year contract to purchase gasoline and petroleum products from three Canadian oil concerns. Contract renewable for a further 10 years.

Earnings: Net earnings in 1932 amounted to $255,177. Estimate earnings at over $600,000 in 1933.

Dividend: 60 cents a share annually.

Assets: Cost of capital shares of subsidiary companies and businesses acquired amounted to $4,466,326. Company has obligations to extent of $146,759 assumed upon purchase of various small properties.

Offer: By Nesbitt, Thomson and Co. and syndicate at $7.50 a share.

Bond Tenders

August 29, Sch. Municipality of Sainte Madeleine—$50,000, 5 per cent debentures, redeemable Sept. 1, 1943. E. C. Locas, sec.-treas.

Aug. 14, Cap de la Madelaine, P.Q.—$6,600, 6 per cent bonds maturing serially Apr. 1, 1934 to Apr. 1, 1943, for purchase of property, etc.; $30,000, 6 per cent bonds maturing serially June 1, 1934 to June 1, 1943, for direct relief. F. Beaumier, clerk.

BRITISH COLUMBIA

The following certificates have been issued by the Municipal Department of the Province of British Columbia upon the following dates:—March 21, 1933: City of Chilliwack, Local Improvement Consolidating Debenture, By-law No. 590, $6,500, five years, 6 per cent; May 5, 1933: District of Summerland, "Experimental Station Pumping Loan, By-law No. 335, $17,000, 20 years, 6 per cent; June 29, 1933: District of Oak Bay, Local Improvement Debenture By-law No. 93 (Hampshire), By-law No. 724, $719, five years 6 per cent.

Bond Redemptions

Bond Issues:	Rate	Due	Redeem.	Price
Calgary Brewing	5%	1942	Nov. 1	105

Purchase of bonds for sinking fund $10,900.

BUYWELL FOOD SHOWS SURPLUS FOR FIRST YEAR

Successor to Stanford's Covers Dividend Needs on Preferred

From Our Own Correspondent

MONTREAL. — Buywell Food Markets Ltd., which concern took over seven of the 10 stores from the bankrupt Stanford's Ltd., reports a net operating income of $4,514 during the year ended June 17, 1933. Comparative figures for the preceding year are not available, as this is the first statement issued by Buywell. During the last year which Stanford's was in operation, the company recorded a heavy deficit.

In addition to the operating profit Buywell reports a surplus from sale of capital assets totalling $5,814. From the latter was transferred $3,500 as a reserve against doubtful accounts, leaving a balance of $2,314 carried into the surplus account.

After the payment of regular dividends on the preferred stock, amounting to $1,279, $5,548 was carried forward in the surplus account.

Assets Aggregate $179,301

The balance sheet of Buywell Food Markets at June 17 last shows total assets of $179,301. Goodwill is carried at $5,000; fixed assets, $102,907 (after depreciation of $74,708); claims against the Stanford's Estate, $494; sundry items, $7,676; and current assets (after depreciation and reserve), $45,842.

Among liabilities current items are set down at $26,011.

More Preferred Issued

Of the 50,000 shares of authorized preferred stock, 3,443 fully paid and 237 partly paid shares have been issued, for a value of $34,741. All of the no par value common stock, amounting to 200,000 shares has been issued.

In respect to future operations of the company, M. Zahler, president, says that it is the policy of the management to build up 10 large and profitable stores in Montreal before expanding elsewhere. This policy is favored over that of establishing many small units.

Patricia Mines Needing Power From Albany

With Ontario's farthest north mining properties, Central Patricia Gold and Northern Aerial Canada Golds, about to go into production next spring, the question of power becomes of great importance. So far and possibly for some time the companies can produce power out of the fuel resources on their claims.

M. E. Hurst, in his report on Pickle Lake-Crow River area in 1930, pointed out that the nearest power site of consequence is on the Albany River, four miles below Atikokiwam Lake, a distance of 26 miles from the Crow River properties. Government estimates indicate a capacity of 4,444 horsepower at ordinary minimum flow at this point and 80 per cent efficiency. A. J. Anderson, mine manager for Central Patricia, lately flew over to this point and estimates that a 1,500 horsepower development could be achieved without undue cost and that it could be extended if demands from the district increased.

The matter is understood to have been considered by Ontario Hydro-Electric Commission, but no decision has been come to. Private capital may be found if the Government passes up the project.

Mr. Picobac Shakes Hands with Montreal

"It's a mild : : : cool : : : sweet smoke," said Mr. Picobac, of Essex County, on his arrival in Montreal.

With a graceful sweep of his left hand he passed his business card to the door man of the Windsor Hotel.

"Any reservation, Mr. Picobac," enquired the Major Domo, politely.

"No reservations whatever," returned Mr. Picobac, firmly. "I make the statement without strings or equivocation. Picobac is the pick of Canada's Burley Crop, grown in sunny southern Ontario."

"Let me take your grip," suggested the Major Domo.

"Put it there, brother," replied Mr. Picobac, heartily, extending his right hand in the free fraternity of good fellowship.

* * *

Mr. Picobac, having shaken hands on the front steps, proceeded to register at the desk, preliminary to pursuing enquiries into smoking conditions in Montreal. Watch for his reports. Meanwhile try Picobac. You'll enjoy it.

—and don't forget, you get more tobacco for your money.

Good for making cigarettes, too.

Handy pocket tin, 15¢
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"IT DOES TASTE GOOD IN A PIPE!"

Picobac

IMPERIAL TOBACCO COMPANY OF CANADA, LTD.

Canadian Western Lumber
Statement of Lumber Manufactured, Sales and Price Realized

May	1932 ft.	1933 ft.	Increase ft.
Lumber mfd.	7,370,429	9,506,500	2,136,071
Lumber sold	6,285,513	8,976,600	2,691,087
Price realized	$83,625	$106,800	$23,175
Aggre. mfd.*	42,186,754	46,633,913	4,447,159
Aggre. sold*	39,547,042	43,943,118	4,396,076
Price real'd*	$492,453	$510,952	$18,499

*From Jan. 1 to May 31.

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621 St. James Street, MONTREAL, QUE.

Weekly Record of Financing in Canada

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

Municipal—	Date Sold	Sold to	Rate	Due	Amount	Price	Yield
Victoria, B.C.	Aug.	Locally	5¼%	15-yr.	$227,000	*100	5¼%
Grand Mere, P.Q.	Aug.	Privately	5½%	10-serial	60,000	96.28	6.27%
Grand Mere, P.Q.	Aug.	Locally	5½%	10-serial	23,000	100	5.50%
Carleton County	Aug.	H. C. Monk & Co.	5%	10-yr.	27,036	99.31	.....

OFFERINGS OF CORPORATIONS AND FOREIGN SECURITIES

Stock Issues—	Date Issued	Offered By	Rate	Class	Amount	Price	Yield
Champlain Oil Products	Aug.	Nesbitt, Thomson & Co. and syndicate	....	Pref.	500,000 shs.	*$7.50	8%

*Offering price.

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TORONTO AUGUST 12, 1933

RELIABLE MARKETS WITHIN EMPIRE

CANADA'S imports from the United Kingdom have shown a considerable increase in percentages during the past year. Consider trade statistics for the five months to May 31, as compared with the same five months of 1932. While our imports from the United States dropped from $123,000,000 to $77,000,000 or by 66 per cent, our imports from the United Kingdom dropped by only 19 per cent, from $39,000,000 to $31,500,000.

One should not be too hasty in giving all of the credit for this to the Imperial Conference agreements. They have undoubtedly been a factor, but their influence has been lessened considerably by the manner in which customs duties on British goods have been calculated by a customs administration apparently desirous of making the Ottawa agreements largely inoperative at the present time. The decline in the pound sterling taken in conjunction with the rise in the American dollar has undoubtedly been the chief instrument in diverting our purchases to the Old Country.

Our export trade to the United Kingdom shows a very remarkable increase during the past year. For the same five month period our exports to the United Kingdom increased from $50,800,000 to $61,100,000, while our exports to the United States declined from $77,800,000 to $52,900,000. Considering the premium on the American dollar the great country to the south of us should have been increasing its imports from this country, but new tariffs have been imposed to bar the sale of Canadian goods. To have increased its takings of Canadian goods during the past year when the pound sterling was at such a discount has been quite an achievement for Great Britain, and the Ottawa agreements must have played a very striking rôle.

We are constantly being given evidence of the unreliability of the American market for more than a limited number of items in our export trade. While we must push forward with negotiations for a suitable trade agreement with the United States, we cannot overlook the fact that British countries offer a more reliable market. The extension of the Ottawa agreements will provide us with the strongest assurance of enlarged outside markets.

LABOR SEES CHANCE IN NIRA EFFORT

IT MAY turn out that the only permanent beneficiaries of the National Industrial Recovery campaign in the United States will be the labor unions. NIRA places considerable emphasis upon collective bargaining and in putting the new "codes" into operation the administration at Washington is working closely with the labor unions, which is as it should be.

But some of the actions of labor union leaders indicate a desire on their part to use the present recovery campaign as an instrument to unionize the industries that have in the past been on an open shop basis, to strengthen their position in the industries where they have gained a foothold, and to achieve quickly a dominance over American industry that they have never previously had.

Office of Miss Perkins, the United States Secretary of Labor, is said to be honeycombed with zealous union officials who see their day of victory at hand and who wish to take advantage of the recovery campaign to force all industries in the United States to bow to one huge central union administration.

The labor unions must be integral units in the recovery campaign. They are entitled to ask that the effort shall not be conducted in such a way that it will weaken their position. But employers feel that NIRA should not be made an instrument for tactical labor victories any more than for tactical open shop victories.

There are many angles to the NIRA campaign for Canadian business men to watch carefully and the labor angle is one.

FIGHT TO SAVE EMPIRE MARKETING BOARD

FRIENDS of the Empire Marketing Board are numerous in Great Britain. This great agency of Imperial sales propaganda may not die after all when its current appropriation expires in September. Those who best appreciate the notable work that the board has accomplished are rushing to its defense and they are confident that the British government will decide to carry on its work even if in a somewhat restricted manner.

A serious blow was delivered to the Marketing Board in the report of the Imperial Co-operation Committee, appointed from among permanent officials of the different Empire governments as a result of the decision arrived at during the Imperial Economic Conference of last year. The committee surveyed the work of all agencies of Imperial economic co-operation and reported on each. By declining to recommend the continuance of the Empire Marketing Board, the committee seemed to seal the fate of that organization. Up to now the board has carried on through the financial support of the British government alone. As the board was set up to provide a substitute for Empire preference in the British tariff, the British government, which has now provided such preference in generous measure, no longer feels that it must support the board without contributions from the Dominions. The Dominions in turn are somewhat chary about contributing to an Imperial organization which would in the normal course of affairs be managed by a committee in London and might therefore come very largely under the influence of the British government. A second reason for the Dominions' reluctance, namely, their desire to avoid new financial burdens at the present time has more merit to it.

In London the British government is being urged to carry on the board primarily for its benefit to the Crown Colonies to whom Britain has a greater obligation than it has to any of the self-governing Dominions. And at the same time the government is urged to be generous in its attitude and to have the board continue to serve the Dominions until such time as they individually feel that their improved finances will permit them to make contributions to a central body for the promotion of the sale of Empire goods in and out of the Empire.

Even if the Dominions were willing to contribute financially to the effort they would probably want their own funds to be more directly under their own control. A central board in London, spending the money, might be unwieldy, even inefficient. It would have difficulty resolving conflicting interests of different parts of the Empire. A better plan might be for each Dominion to have its own marketing board, as a branch of its department of trade and commerce, but with a central consultative committee.

RISING PRICES AND BUYING POWER

FEARS have frequently been expressed that salary and wage rates may rise more slowly than commodity prices, and that this may mean that higher prices are a bane instead of a boon. The fear is that the public will not be able to buy at the higher prices. This reasoning is largely fallacious.

If prices rise 10 per cent, the purchasing power of a fixed rate of wages declines approximately 10 per cent. The individual worker whose income has not increased finds it somewhat more difficult to buy what he did formerly. To this extent the fears expressed have a solid foundation. But higher prices allow industry to operate at a profit because fixed charges are reduced, in effect, if not in dollars. The result is that more people are employed as business becomes more active.

Employment of an increased number of people results in a larger gross sum disbursed as wages. Thus the purchasing power of an individual wage-earner may decline 10 per cent if his income does not rise with prices. But if 25 per cent more money is disbursed to a greater mass of workers, the purchasing power of the community as a whole has been increased.

Moreover, as industrial profits gain, it becomes possible to raise the wage scales and salary levels of individual workers, offsetting the decreased purchasing power of money. This process appears to be only in its early stages at present.

These things apparently have not been realized across the border.

FRANKLIN THE GREAT

WHETHER President Roosevelt will turn out to be another Moses or another Trotsky remains to be seen. At the moment he has estranged many conservative business men who supported him in his first weeks in office. His campaign of coercion by public opinion, used to whip industrialists into line for his shorter hours and higher wages programme, his see-sawing on such internationally vital questions as the tariff and currency stabilization, the unquestionably socialistic nature of many of his policies, all combine to arouse doubt as to the permanent value of some measures he has invoked to fight depression.

Disturbing too is the fact that notorious gamblers, men who have posed as advisers to statesmen of all parties, but who have in the past used their presidential connections as part of their stock market rackets, are now found close to Washington.

A leading Canadian business executive, commenting on some recent references to Mr. Roosevelt in The Financial Post, writes a letter containing an appraisal of the U. S. president, a sketch illuminated by discerning judgment and a keen knowledge of human nature. We give it not as The Post's but as a leading Canadian's size up of Roosevelt:

"I have tried to analyze the things which strike you favorably in Roosevelt. Whereas I had previously very great admiration for his capacity, I have not, in the light of later events, retained that same enthusiasm. I recognize that he is affable and popular; he speaks well and directly on the radio; his manner is calculated to charm and create confidence; and he has the gift of leadership and is fearless in his actions. At the same time, I think he is hasty to reach a conclusion; is politically minded and reaches his judgments rapidly and with an eye toward the political situation almost entirely. One can hardly deny that he is radical and socialistic, having in mind such actions as the guaranteeing of bank deposits; the relinquishment of the gold standard; his Farm Relief Act; The Recovery Act, and the controlled opening of the banks. I do not see that his characteristics show prudence or conservatism. He certainly throws caution to the winds, and has little consideration for precedent.

"He cannot be regarded as consistent or settled in his views, and that means he is undependable. I have little on which to form an opinion as to his moral character, but he seems able to turn a corner rapidly.

"I have reluctantly reached the conclusion that Roosevelt is not a deep thinker and is a dangerous man. I do not see that the characteristics of the men he has selected are likely to impress one with feelings of stability. I am afraid that they are likely to whip the public mind into a frenzy in the United States if Mr. Johnson and Mr. Richberg are to be looked upon as representative of the Government policies.

"To believe that you can enunciate any policy, such as that involved in the increase of wages and the shortening of hours, as a means of aiding the recovery and return of prosperity, without getting public opinion unsettled and fatally twisted, is, I think, tempting Providence. This method of dealing with the situation, endeavoring to please the many and attack the few, to brand as thoughtless and unpatriotic those who think for themselves, to turn mass against class, to use coercion by public opinion, are all repugnant to me. They risk failure and loss of morale and more despair in the process."

RUINOUS COMPETITION IN OCEAN SHIPPING

DISCUSSIONS at the World Economic Conference and at recent international gatherings of business men make it clear the world's shipping trade is seriously disrupted by the attempt of nations to gain competitive advantages for their trade or their shipping through direct or indirect subsidy.

There are occasions when it is necessary or desirable for nations to subsidize shipping lines, for instance, on routes that must be kept open to serve some national interest but which do not offer a volume of traffic sufficient to pay the minimum cost of operation of the service required. Various outlying islands of this vast Dominion are served by shipping routes that are subsidized by the State because without such subsidy no adequate freight mail or passenger service could be provided.

But throughout the world nations have gone far beyond this essential subsidizing of certain routes and have used public funds to set up competitive routes on lines already adequately served, in order to provide an indirect bonus either to their own ships or to their own producers. Such unfair competition has been met by other countries with even larger subsidies and bonuses. Throughout the world nations are fighting against each other in an uneconomic warfare of ocean transport. All warfare is destructive, shipping warfare no less than any other kind. Business men who think they are the immediate beneficiaries of the subsidized shipping services provided by many nations are indeed the prime losers for gradually the open freight market which has in the past ensured the safest, most efficient, most regular, most frequent and most economic service, is disappearing and taxation is rising.

Canada continues to contribute to this disintegration of world shipping by operating government boats at serious losses over many routes. Already this country has lost $60,000,000 and if allowance is made for depreciation in value of the boats still owned, over $100,000,000, on its merchant marine. It is doubtful if the country has gained gross business that it would not otherwise have had, to a total as large as the net losses suffered. Even if we had, it would have been necessary to have earned 100 per cent profit on the business so done for the country to have broken even. And the general taxpayer would have been paying the bill for the profit of the few.

In the end every nation will be the loser from the present practice of subsidizing uneconomic ocean shipping. Canada, whose problem of budget balancing is one of the most serious among the nations, might lead the way in ending this particular form of economic warfare by getting out of the ocean shipping business.

EDITORIAL NOTES

If NIRA fails the eagle will be blue indeed.

* * *

"My heart goes out to the women of this country," says Mr. King. But not, let it be known, to any one woman.

* * *

Aaron Sapiro, who was brought to Canada by a group of Western newspapers to put over the wheat pool campaign, has been indicted in Chicago along with 23 others in connection with the Chicago Laundry Owners' Association, an alleged "racket" for which Aaron Sapiro was counsel. He is now out on bail but if he comes to trial his case will have a large audience in Canada, an audience that will include most of the quarter million wheat pool members who have sometimes wondered why the pool did not turn out to be all that the spell-binding American lawyer promised it would be.

POST-scripts

WE NOTE for the benefit of our readers the journalistic event of the year. The London Times no longer puts the adjective "record" in quotation marks when using it in the sense of largest, best, etc.

The Times cannot be accused of haste in admitting the word into its columns without the reservation implied in the inverted commas. The Oxford English Dictionary now includes the word as an adjective and indicates that it first came into use in 1893.

THE Institute of London Underwriters has given careful consideration to the question of motorship terminology and has decided that, as motorships are now such an established feature in the shipping world, an alteration in the wording of the usual clause which covers a vessel "under steam or sail" is essential. In future the Institute clause will read "under steam, motor power, or sail."

This, however, is not a complete solution, as it only touches on the problem of terms for the motorship, and does it in a way that does not help technical journalists and others who have long wondered how they really ought to describe the motorship's mode of progression. She is still said to "sail" at such and such a time, but it is manifestly impossible to say that she sails so many miles per day, and the Diesel advocates will not have it said that she steams that distance in any circumstances, and they are quite right. To say that a vessel "motors" from London to New York is to pilfer a term on which the automobile world has an exclusive lien, while to suggest that she "motes" is horrible to the ear of nautical scribes. Finally, to say that she proceeds suggests a police officer's evidence in a speeding case.

The shipping and marine insurance worlds will be grateful to any person who will put forward a phrase, good English, dignified and simple, which will describe the progress of a vessel equipped with Diesel motors.

THE United States is just now suffering from a rush of codes to the head. Scores of industries and business associations are organizing to sign agreements fixing maximum hours of labor and minimum wages for their employees. The rates fixed for different occupations lead one to ponder upon the relative economic value of different types of workers.

The theatres, for instance, have fixed $40 a week as the minimum salary for an actor with more than two years experience. But the wardrobe attendants are to get not less than $50. Ushers, ticket takers, attendants and scrub women are to get 30 cents an hour for a 35-hour week which means a minimum wage of $10.50. But we notice that the accountants suggest $15 a week minimum for office boys in cities of over 1,000,000 population. Of course, the office boy would not see his shows free.

Most striking feature of the agreements is that the minimum wages set are for most industries so low that they cast suspicion upon the claims of the United States to be a country of high wages.

Probably in most industries and offices the wages now being paid are higher than the minimums, which are designed merely to make things more difficult for the sweatshops, who must, however, comprise only a comparatively small fraction of the total employers.

THE New Westminster British Columbian takes The Post to task for referring to the Pacific Terminals at Vancouver. We apologize and to show that we have no desire to rob New Westminster of the credit for one of her most important institutions we refer the editor to another item in his paper headed "Royal City Boosted" which summarizes a recent article in The Financial Post on New Westminster's busy port.

The editor of the British Columbian is unnecessarily suspicious when he infers that perhaps these items in The Post bearing a Vancouver date line are not written in Vancouver after all. We assure him that they are. There is no "clothes line telegraph" in our office.

To give credit where credit is due is always good policy and The Post endeavors never to deviate from the rule. And speaking of giving credit where it is due, we would never have thought, had it not been the British Columbian put it into our head, to comment on the fact that the other two editorials in that issue that jibed at The Post, dealt first with "housie-housie" in Newfoundland, the "London report" of the appointment of Lord Macmillan to the banking commission. The "housie-housie" editorial certainly resembles an item that ran in this column a few weeks ago and the "London report" on Lord Macmillan's appointment was a cabled dispatch from one of our editors in London to this journal. Neither editorial mentioned The Post but what is that between good friends?

Sayings of the Week

"No article can stand unless it is up to the standard advertised." — *Lord Derby.*

* * *

"My policy is free trade and back-to-the-land." — *Rt. Hon. David Lloyd George.*

* * *

"The nearer we can make the world an economic unit the better will it be for each nation."—*Ramsay MacDonald.*

* * *

"Reformers try to relieve a moral itch under their own skins by scratching their neighbors."—*Charles H. Parkhurst.*

* * *

"The present is merely an invisible bridge between that which has gone before and that which is to be." — *Nicholas Murray Butler.*

* * *

"A restored America would doubtless contribute more to the revival of world trade than our sympathetic co-operation with other nations in the effort to standardize adversity." — *Bainbridge Colby.*

* * *

"The same people who advised us that Bolshevism could not last a week, that Fascism was a passing fantasy and that Hitler would never govern, are declaring just as confidently that President Roosevelt must fail."—*Sir Robert Horne.*

* * *

"My wife, who is in frail health, now weighs only 104 pounds and has lost many pounds as the result of the three weeks of international contract matches we have played in Europe." — *Ely Culbertson, U. S. bridge expert.*

* * *

"On principle I never give a penny to mendicants who approach me. Ninety-nine out of one hundred are not worthy. I urge you to give a loaf and not crumbs, and to give it through the proper relief channels."—*Rev. Paul J. Hoh, of New York.*

* * *

"But it is not beyond reasonable conjecture to believe, if frank admission is credible, that even the wise solons of the nation's capital select their favorite sheet because of the lure of its comic sheets."—*Justice Peter Schmuck in a New York court judgment.*

* * *

"Bankers should regard their responsibility as no less for brokers' loans than for private loans; in fact, it is really greater, because brokers' loans are the more dangerous, being subject to call and being subject to the effects of mob psychology." — *Irving Fisher, Professor Political Economy, Yale.*

* * *

"There are some minds capable of trying to combine price-fixing and industrial regimentation with the notion of currency and credit manipulation designed to make all prices rise, but I do not know any clear economic theorist who would do so, and I should say that the two general notions are economically contradictory, and that a scheme which combines them is a political rather than an economic synthesis."—*Benjamin Anderson, economist of the Chase National Bank.*

* * *

"What staggers me is the tremendous size of your locomotives and cars and the immense operating costs. The average coal consumption of the Twentieth Century between Chicago and here was 160 pounds a mile. We run the Royal Scot 300 miles without a stop on thirty-three pounds a mile. It is, of course, not a fair comparison, since your trains are so much heavier and larger. The Century locomotive weighs 175 tons; the Royal Scott, thirty-five tons. If I might offer a suggestion to American roads, it seems to me they could lighten their equipment without sacrificing speed, safety or comfort and with a considerable decrease in operating costs." — *William Gilbertson, engineer of the Royal Scot.*

How Europe Views American Programme

See Grave Dangers and Great Difficulties in "Rooseveltitis"—Continent Even More Sceptical Than Britain

By DR. MELCHIOR PALYI

Dr. Palyi, who writes this article is a well known European economist. A Hungarian, he is economic counsellor for the Deutsche Bank but is now located in London. The Financial Post has arranged with him to do several articles giving the European viewpoint on subjects of interest to Canadian business men.

LONDON.—A leading English financial paper called it recently "Rooseveltitis." The implication was not a complimentary one; of course, some sort of mental sickness was implied. The curious thing was that this impolite way of treating the American president had nothing to do with any partisan point of view. As a matter of fact, almost everyone, whether on the free trade line or protectionist, whether believing in the capitalistic order of things or Socialism, whether sound-money-advocator or inflationist—almost everyone seems to agree that there is something wrong with the president's policies.

Inflationist View

Most curious of all is the inflationist's attitude in England. The English monetary reformer, if you talk to him, will start with apologies. He will tell you that this sort of inflation is not what he had in mind when he last advocated inflation. He will be emphatic about this distinction without telling, of course, what the difference might be. Perhaps it is just the difference between two things, one of which might be done by the British and the other by somebody else.

It is not easy to describe the character of the criticism that the British public, especially the economically educated, show toward the president and his policies. Not so much for what he has done as for two other things. First, because of Mr. Roosevelt's sudden changes of mind. British opinion is inclined to think in terms of "lack of continuity" or even of something worse. Second, the British strongly objects to the "lack of diplomacy" which the American president seems to wish to exhibit internationally. Europe was so much used in post-war years to international agreements, which did not mean anything but permitted the diplomats to have their farewell dinners with clear consciences, that people here are inclined to lose their temper with anybody who disturbs the game. Why not have a nice formula on which one can agree and which does not pledge anyone to do anything? The French started by throwing the ball over to the Americans, but they received the racquet in return. That finished it. And the English wonder about the lack of politeness on the American side, diplomacy being a sport, the rules of which obviously, they think, are not sufficiently appreciated on the other side of the Atlantic.

What Rentiers Think

Even simpler than the English view of the new American governmental system is the Continental one in Europe. Simplest of all is the French point of view. The country of the rentiers, of the strongest economic conservatism, of gold hoarding (supposed to amount to at least a billion dollars in private hands), the country with the greatest gold-reserve per head, and with an overwhelming peasant and small artisan population, is not likely to hail with delight "revolutionary" changes of monetary and economic policy. In spite of quite an amount of inflationist propaganda lately, the French belief in gold and in the gold standard is just as firm, or even firmer, than their belief in the sanctity of private property and in the viciousness of governmental interference with business. Enough indeed to be utterly unable to appreciate what is happening in America.

It looks to the average Frenchman, and he is ready to say so plainly, as if people in the United States had gone "off their heads." The opposition to the new American method is not, as in England, based on opinions with regard to the technicalities; it grows out of fundamentals. If the Americans ever decided to give up Christianity and turn to some sort of Indian or Negro paganism, the French could not be less unsympathetic. They simply fail to see any point in the matter, and have decided to go on their own way by protecting themselves with bigger and better tariffs, more quotas, etc. The roots of the American change of policy may or may not be nationalistic; undoubtedly it has created more nationalistic feeling in Europe, and especially in France than has any other single economic event of recent years.

Germans Highly Moral

The attitude is similar, and for the same reasons, in the minor "gold countries" such as Holland, Belgium, etc. A more sympathetic attitude may be found in countries with "inflation" just on the stage such as Sweden.

It is rather more difficult to understand the German reaction, no free expression of opinion being permitted there. The rank and file of the Nazis are thoroughly inflationist and believe in the necessity of suppressing "Capitalism" by some kind of "planning.". For them, the president's policy and even more his short-cut dictatorial methods have a strong appeal. On the other hand, the declared official policy is for "stabilization" (meaning that of the foreign exchanges) and, therefore, heavy economic and especially moral arguments are brought forward against the American policy. Moralizing suits the present German political mood and temper excellently.

Three Main Problems

So much for the "man in the street" in the different countries. More serious circles, over Europe, are wondering what the outcome of the great experiment may be. It is faced, in their opinion, with three major immediate problems.

First, the wage issue. If wages rise with wholesale prices, profits are likely to disappear and the whole "incentive" to employment may be lost. If, however, wages lag behind—and exports do not rise greatly — then purchasing power will be missing and production will again have to slow down.

Secondly, retail prices will either rise correspondingly to the wholesale move, "spoiling" the wage-advance and leaving things practically just where they were before the whole experiment started. Or, if retail prices should lag, retail stores, landlords, etc., would have to pay the bill, introducing new failures and again endangering the programme.

Third, financial difficulties, in the credit-machine and in the budgetary system, are likely to crop up very soon, as a consequence of the dollar-depreciation and of "artificial" credit-expansion.

At any rate, Europe is fascinated by the American experiment and watches it with the keenest interest. On the whole, it prefers to look at it and wait for results, before following along.

As Others See Us

Thinks Maritimes Favor Canal Tolls

Sackville, N.B., Tribune—In a recent issue I referred to an article re Canal Tolls by Major MacLean in the Canadian Magazine. Some additional information relating to this subject gleaned from an article in The Financial Post may be of interest.

Until the year 1903 a regular system of canal tolls was in force in Canada on both the Welland and St. Lawrence systems. Tolls were first abolished by order-in-council on April 17, 1903, for an experimental period of two years and were abolished permanently in 1905. Canal tolls in Canada were originally established by an order-in-council dated April 18, 1873. These tolls were confirmed or altered by order-in-council each subsequent season with the opening of navigation.

A study of revenue and expenditure figures of canal operation in Canada from the period 1880 to 1902, during which canal tolls were regularly charged on the Welland and St. Lawrence systems, discloses that in that period canal tolls on the average amounted to $320,000 annually. In the year 1881 the canal tolls actually totalled 88 per cent of out-of-pocket expenditures, while in 1902, the last year in which complete tolls were charged, revenue from this source amounted to about 26 per cent of the total expenditure.

There is no legal obstacle to imposing canal tolls and in view of the fact that the Bennett government is exploring every possible source of revenue, it would seem that a return to canal tolls would be a move in the right direction. It may be taken for granted that the Maritime Provinces would favor such a move inasmuch as Eastern Canada helps to pay for the operation of a canal system, which serves Ontario and Quebec. President Roosevelt is leading the way to canal tolls in the United States; Canada should follow his example.

"Stop Me If You Have Heard This One"

The manager was retiring and the staff decided to give him a radio set for a present. From each of the 8,000 employees the foreman collected 6d. each, making £200 in all. With this he bought at the wholesale price £200 worth of cigarettes. He took out the coupons and with them obtained the radio set, which the staff presented to the manager. Each of the 8,000 men received in exchange for his sixpence a packet of cigarettes and the foreman himself got a useful discount on the order which he gave for the cigarettes.

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The Week in Business

U. S. Manufacturers Again Solicit Canadian Business

UNITED STATES manufacturers are again beginning to take an interest in the possibilities of the Canadian market, salesmen from a number of these companies making calls on Canadian wholesalers for the first time in two or three years. There are two reasons for this. First, there are the evident signs of revival in industry and buying power in this country. This, however, would be of little use without the combination of the second factor, the reduction in the premium on the United States dollar.

For the present it would appear that the United States manufacturers are merely sounding out the Canadian market again — willing, of course, to accept orders that may be offered. Only a few have, as yet, made advertising appropriations to cover the Canadian field although trade papers which have solicited advertising have been asked, in many cases, to bring the matter up again in the fall. Apparently it is considered that recovery and exchange stability are not yet far enough advanced to warrant money spent on promotion at this time.

* * *

Sugar Smuggling is Latest Racket

A NEW angle has appeared to the much-discussed two-cent sugar tax. It will be remembered that prior to the introduction of the tax the news apparently leaked out and wholesalers, retailers and consumers throughout the country stocked up on sugar at pre-tax prices. Now the word is going round that Chicago gangsters are abandoning the smuggling of liquor into the United States and turning their attention to smuggling sugar into Canada.

The Canadian Wholesale Grocers' Association has urged extreme vigilance on the Royal Canadian Mounted Police in an effort to check this smuggling of foodstuffs. It is stated that in addition to sugar, soap and malt syrup are also being handled.

It is stated that while smugglers cannot make the same profit from this type of business as was made in the liquor smuggling business, they still make $2 per 100-lb. bag and if 100 bags of sugar are spirited into Canada, the smugglers can realize a profit of upward of $200 at the expense of the Dominion Government, and the sugar refiners.

* * *

Footwear Production Reaches New High

LEATHER footwear production is the feature of the statistics released during the past week, the total of 1,965,647 pairs being the largest monthly total since these figures were first compiled about ten years ago. Due to small totals in the first three months of the year the total for the first half of 1933, at 8,823,892 pairs, is somewhat smaller than the 9,129,585 pairs produced in the first six months of 1932.

Carloadings in the last week of July declined slightly in almost all groups with the result that the total of 37.131 cars was 1,858 less than in the corresponding week. The weekly total, however, remains above the figure for the corresponding week of last year. Grain, livestock and the forest products were the largest contributors to the decline while coke and ore loadings were higher than in the previous week.

* * *

Nira Brings Quick Action

ONE of the most important results of the establishment of industry codes under the National Industrial Recovery Act in the United States is the summary manner in which trade problems which have been causing controversy among trade associations for years are being handled.

As an instance of this, the question of standard colors has been the subject of debate at paint trade association meetings for years, a majority holding out for only 22 colors but unable to do anything as the independents were producing as many as 37. Now comes the paint industry code fixing the number of colors at 22—and that's all there is to it.

Many of these radical changes may affect Canadian industrial practice. Again taking the paint industry as an example, it is entirely likely that another effort will be made to introduce a standard number of colors in the trade in Canada following the United States legislation. With United States as an example, it is also much more likely that this move will be successful.

Commodity Prices

	Week ending Aug. 5	Previous week	Same week last yr.
Cattle (cwt.)§	$5.25	$5.00	$6.75
Copper, lb.	.09	.09	.05⅝
Cotton, lb.	.1005	.1050	.0620
Rubber, lb.	.0750	.0712	.0325
Sugar, raw, lb.	.0345	.0350	.0308
Silk, lb.	1.92½	2.05	1.52½
Wheat (Man.) bu.°	.81¼	.78⅜	.57⅜
Hides, lb.	.15	.15	.05½
Coffee, lb.	.07¾	.08	.08¼

Weekly Indices

N. Y. Annalist‡	103.1	102.5	92.5
Fishers'	♦70.2	71.1	†62.0
N. Y. Journal of Comm.■	68.6	68.5	56.9
Crumps (Brit.)*	64.2	65.1	†62.4
U. S. Labor▲	69.7	68.9	64.5

†Average, 1932. ‡Week to Aug. 1. *Week to July 23. ▲July 22. ♦Aug. 6. §Aug. 3. °July 31. ■July 29.

Monthly Indices

	Latest w'sale	Prev. month	Same month last year
Canada (D.B.S.) (June)	67.6	66.9	66.4
Retail (June)	77.7	77.6	81.0
U. S. Labor (June)	65.0	62.7	63 9
Gt. Brit. (May)	66.9	65.6	67.9

‡Basis of price quotations is as follows: cattle — steers, good, over 1,050 lbs., top price, Toronto; copper—electrolytic, New York; silk — Japanese, 13-15, New York; sugar—96 degree centrifugal c/f New York; wheat—No. 1 Man. North., Ft. W.-Pt. A. basis; hides—heavy native steers; coffee—Rio, No. 7, spot, New York.

Business Conditions in Canada

U. K. FARM POLICY NOT YET EFFECTIVE IMPORTS REVEAL

Food Imports Remain High — Prices Low

Recent adoption of an agricultural policy in Great Britain to protect the home farmer, and assure an increased market for his products, has not yet had any material effect on food imports, according to figures for the first five months of 1933 issued by the Board of Trade. In only two commodities, potatoes and eggs, is there any large decrease from imports in the same period of 1932; as far as potatoes are concerned, the reason for this reduction in imports is directly traceable to the failure of the 1931 crop, which left very small supplies in the country at the beginning of 1932. The same is true of eggs to some extent, though prices have continued to fall, on account of declining demand.

An article on the question of food imports in the London Times states that examination of Board of Trade figures makes it evident that there is need for definite power to limit food imports in accord with market requirements. Bearing in mind the ruling prices, the article states, a comparison of the figures from January to May of this year and for these months of last year indicates that the imports of the products in which the home farmer is most interested have not been checked sufficiently to preserve a healthy balance between supply and demand in the British market.

Figures Compared

In the following table a comparison of figures for the five months of current and past years is shown, figures being in long tons.

	1933	1932
Beef	220,000	225,000
Mutton and lamb	163,000	153,000
Bacon and hams	214,000	254,000
Butter	187,000	169,000
Cheese	63,000	61,000
Condensed milk	57,700	57,700
Potatoes	97,000	499,000
Eggs (great hundreds)	7,139,000	8,215,000

Commenting on the meat figures, the Minister of Agriculture in Great Britain has pointed out that the imports of chilled beef, which compete most keenly with home fed beef, have declined by 18,000 tons this year, and that Australia was mainly responsible for the increased supply of lamb and mutton. As both Australia and New Zealand undertook at the Ottawa Conference to limit their shipments for 1933 to the quantity shipped during the year ended June, 1932, and as increased shipments have been sent in the early months of the present year, Australian supplies should be reduced in the summer, in the autumn, which would indeed, suit the home farmer, whose main supplies come forward at that time.

Canada's Whalers Active After Two-Year Lapse

Canada has come back into the whaling industry this year with the resumption of operations on the Pacific coast after two years when the whalers stayed in port because world market conditions made satisfactory returns unlikely.

In other whaling countries, too, there was curtailment of operations in 1931 and 1932, but with the stocks of oil, etc., now reduced the outlook for the industry is believed to be more favorable.

Some half dozen different kinds of whales are taken in British Columbia whaling, which is centred off the Queen Charlotte Islands, and the total catch made in 1930 yielded oil, whalebone meal, and fertilizer having a marketed value of $228,000. Oil is the chief product of the industry and the half million and more gallons which were obtained in 1930 was worth something more than $192,000. Most of Canada's whale oil production, by the way, is exported to the United Kingdom and the United States.

Farmers Have Grasped Higher Prices Opportunity

Farmers have been steadily taking advantage of the higher prices for grain, a survey of the situation made by the W. Sanford Evans Statistical Service, Winnipeg, reveals. Wheat delivered during June, together with other grains, by prairie farmers brought a return of $11,410,000 as compared with less than $8,000,000 in the same months last year. Deliveries of wheat from April 1 to July 27 totalled 50,000,000 bushels. The present rate is almost 400,000 bushels of wheat daily and considerable other grains, much exceeding the usual rates for midsummer.

In order to find out whether farmers were actually realizing cash for the grain they delivered, enquiry was made at the four representative elevator companies, operating 825 elevators on the prairies. Two companies stated that the outstanding stocks, i.e., grain in elevators owned by farmers, had been reduced by one third within a month. Another stated that farmer-owned stocks were lowest in years, and that all present deliveries were being sold outright by the farmers. The consensus of opinion was that producers were taking advantage of the higher level of prices.

Farmers located in the area of Saskatchewan on the Alberta border and Alberta farmers in the Calgary, Coronation, Lloydminster and Red Deer areas have been delivering heaviest, and are therefore benefitting most from the increase in grain prices. Relatively very little wheat has been delivered in Manitoba in recent months.

New Industries and Plant Extensions in Canada

Compiled Weekly By The Financial Post

Richmond Hosiery, Ltd., London, Ont., plans an addition to its plant toward the end of the year. Meanwhile, 15 new machines are being installed in the existing factory which will increase production from 1,200 dozen pairs to 1,400 dozen pairs daily.

Tilbury, Ont., is considering plans for the erection of a sugar factory. Charles Osborne is promoter of the enterprise which would have a daily capacity of 2,000 tons.

Acme Carbon and Ribbon Co., Ltd., a new concern, has leased manufacturing space in Toronto. Machinery has been installed and the company is operating. J. A. Campbell is president and general manager.

Service Laboratories, Ltd., a new company, has leased space in Toronto for the manufacture of drug specialties and toilet preparations. Equipment is now being installed. F. W. C. Ross, formerly of New York, is president and C. W. Ewing, secretary-treasurer.

Coezene (Canada) Ltd., has been incorporated to manufacture hygienic products in Toronto. W. A. R. Slater is president and general manager of the new concern.

Smillie Steel Products, a new company, has leased space in Toronto for the manufacture of ornamental iron and plate products. Thomas C. Smillie, formerly of Galt, will be in charge of the company's operations.

McCormick & Co. Inc., of Baltimore, Md., manufacturers of spices, extracts, drugs, etc., has leased office space in Toronto and made arrangements for the immediate manufacture of certain of its products in the city. If the necessary volume of business is reached a complete manufacturing plant will be established, it is stated. McCormick & Co. (Canada) Limited is the name of the Canadian subsidiary.

Value of Auto Sales Greater Than in 1932

Sales of new passenger cars, trucks and busses in Canada during June numbered 6,507 as compared with 7,539 in the previous month and 6,746 in June, 1932. Total value of June sales, at $6,629,988, while less than the May total, is greater than the total in June a year ago which was $6,157,648.

These sales figures of new cars are compiled by the Dominion Bureau of Statistics from information received from 19 companies whose sales comprise over 90 per cent of total Canadian sales. The retail value used is the price paid by an individual purchaser at the Canadian point of manufacture and includes sales and excise taxes, charge for standard accessories, dealers' commission, etc. Freight charges from Canadian point of manufacture to point of delivery have been excluded. Duty is included in the retail value of imported cars.

QUEBEC FARMERS WILL NOT ACCEPT N. Z. WOOL OFFER

Hold That Price Too Low — Expect World Shortage

Offer of a New Zealand wool company, dealing internationally in wool, to purchase one-half of the Province of Quebec's 1933 wool clip, has not been accepted by the greater majority of Quebec farmers owning flocks of sheep, who are holding out for higher prices, it is stated by the Montreal Gazette. The New Zealand concern, through the intermediary of Quebec's Department of Agriculture, under the Hon. Adelard Godbout, minister, secured the services of the Co-operative Federee de la Province de Quebec as its official purchaser, but that organization has reported to both the Department of Agriculture and the government that practically all of the farmers are refusing to dispose of their clip.

Failure of the company to secure its sought-after quantity of Canadian wool in the Province of Quebec, it is said, will perhaps lead to the institution of pourparlers with the Department of Agriculture in Ontario, if not directly with farmers in that province, or other countries.

No Market in 1932

The Province of Quebec produces, annually, over 4,000,000 pounds of wool. Last year farmers were only able to dispose of 2,000,000 pounds.

The New Zealand concern offered the farmers, through the Co-operative Federee, 15 cents a pound for washed wool and 11 cents a pound for unwashed wool. But very few of the farmers accepted this offer, claiming that the price was too low. They withheld, for the greater part, their 1933 clip in anticipation of higher prices, claiming that other offers as high as 18 and 19 cents a pound were not so very rare.

A member of the Co-operative Federee had this to say: "When the New Zealand concern came into the field, farmers throughout the province quickly heard about their intention to absorb one-half of Quebec's clip, and, believing that such widespread foreign purchasing of wool indicated an eventual increas in wool prices, refused to dispose of their holdings."

Small Clip Likely

Present reports from Sydney, Australia, indicate that a smaller Australian clip, due to the dry conditions in the many wool-growing centres of the Antipodes was expected this year. The anticipated 1933-34 clip in Australia is estimated at 2,942,500 bales, a réduction of 225,000 bales as compared with last year. There is thus no overproduction of wool in Australia, and prices there are reported to be rising 30 to 40 per cent. Quebec farmers claim that it is this fact which has led the New Zealand company to seek to purchase Canadian wool.

RETAIL SALES GAIN IN PAST MONTHS

Increase in June Over May Against Usual Trend

Index numbers of retail sales issued by the Dominion Bureau of Statistics for June, showed a rise of one point over May.. This is the first occasion in five years when the general index reached a higher figure in June as compared with May. The combined index rose from 85.3 in May to 86.3 in June, (January, 1929=100). Corresponding figures for May and June, 1932, when retail prices were at a higher level, were 91.5 and 91.1 respectively. While no correction is made for seasonal adjustments, the movement in June appears to have been contrary to a seasonal drop.

Group indexes were higher in four cases and lower in seven. Minor revisions have been made in previously issued indexes due to additional data having been procured.

The index numbers are based on returns from 83 chains, comprising approximately 2,700 stores, and 25 departmental stores. Index numbers for individual groups behaved as follows:

Boots and shoes rose from 84.3 in May to 103.9 in June; clothing from 97.8 to 103.7; drugs from 69.0 to 74.9, and general and departmental from 94.1 to 96.7.

Candy sales fell from 69.3 to 57.0; dyers and cleaners from 117.0 to 115.5; furniture from 53.0 to 46.4, and groceries and meats from 79.5 to 75.8. Hardware decreased from 109.2 to 99.2; music and radio from 20.5 to 15.9, and restaurants from 57.9 to 57.2.

Canadian Business Indicators

Compiled by The Financial Post

	Weekly Latest 1933	1932	Cumulative Jan. 1 to date 1933	1932
Transportation—				
Car loadings (July 29)	37,131	36,548	1,057,297	1,226,959
C. P. R. gross earn. (July 31)	$ 3,257,000	$ 3,012,000	$ 59,024,000	$ 65,494,000
C. N. R. gross earn. (July 31)	$ 4,248,216	$ 3,958,352	$ 76,350,891	$ 87,100,228
	Monthly			
C. P. R. net earn. (June)	$ 2,049,387	$ 1,578,616	$ 4,861,140	$ 5,251,879
C. N. R. net earn. (June)	$ 985,896	$ 735,914	$ ‡2,978,981	$ 620,369
Iron and Steel—				
Pig iron, tons (June)	857	8,163	36,210	77,201
Steel, tons (June)	31,602	18,118	130,464	180,488
Automobiles prod., No. (June)	7,323	7,112	38,262	39,669
Auto Vehicles—				
Passenger, sales, No. (May)	6,693	7,106	19,717	21,336
Trucks & buses, sales, No. (May)	846	1,038	2,224	3,699.
Auto exports, No. (June)	2,299	802	8,714	3,119
Construction—				
Building permits (June)	$ 3,535,948	$ 5,028,324	$ 10,107,289	$ 24,341,044
Contracts (July)	$ 12,651,600	$ 12,540,100	$ 45,563,900	$ 87,301,300
Newsprint—				
Production, tons (June)	171,419	161,368	894,181	1,004,248
Exports, tons, (June)	152,151	155,895	807,237	933,446
Sugar—				
Imports, raw, lbs. (June)	81,453,200	56,324,800	254,749,900	325,126,100
Melt. & ship., lbs.*	57,248,316	97,203,618	336,521,967	379,758,469
Manufactured, lbs.*	57,332,368	92,583,064	337,290,934	366,383,597
Flour—				
Production, bbls (May)	1,334,101	1,040,693	5,056,380	4,781,163
Wheat flour exp., bbls. (June)	544,507	570,861	2,564,662	2,372,216
Other Industrial Indices—				
Lumbering: Plank & board exports, mill ft. (June)	94.70	110.68	342.48	407.98
Boots and shoes, pr. (June)	1,965,647	1,559,192	8,823,892	9,129,585
Petroleum, imp. crude. gal. (June)	121,120,617	113,948,377	263,266,395	450,977,992
Cotton, imp., raw. lbs. (May)	8,111,000	12,463,000	33,326,000	45,617,000
Rubber, raw, imp. lbs. (May)	3,817,398	3,170,767	12,850,876	20,322,659
Coal, imports, tons (June)	1,122,067	958,742	3,930,494	4,390,878
Gasoline sales (Apr.)	30,711,000	35,358,000	107,576,000	114,498,000
Trade—				
Imports (June)	$ 33,618,905	$ 40,743,105	$ 167,836,114	$ 242,047,511
Exports (June)	$ 45,967,773	$ 40,852,100	$ 206,093,937	$ 222,803,411
Wheat exports, bus., (June)	16,998,672	15,857,427	83,368,577	68,205,072
Labor—				
Employment Index (June)	80.7	89.1	......	......
Electric Power—Output—				
M. Kilowatt hours (June)	1,370,913	1,200,098	8,082,053	7,947,948
Finance—				
Failures, No. (Apr.)	184	190	806	857
Failures, Liabilities (Apr.)	$ 3,022,466	$ 3,170,679	$ 14,410,269	$ 14,279,102
Bank debits† (June)	$ 2,982,418	$ 2,202,785	$ 13,195,272	$ 12,536,993
Bond sales (June)	$ 90,253,692	$ 20,759,081	$ 128,830,417	$ 161,665,121
Insurance sales (June)	$ 32,398,000	$ 40,963,000	$ 178,118,000	$ 218,533,000
Automobile Financing—				
Used cars (May)	$ 1,633,742	$ 1,763,926	$ 4,670,841	$ 5,754,555
New cars (May)	$ 1,459,727	$ 2,023,586	$ 4,433,923	$ 6,031,731

*Four weeks period, June 24 to July 15. †(000's omitted). ‡Deficit.

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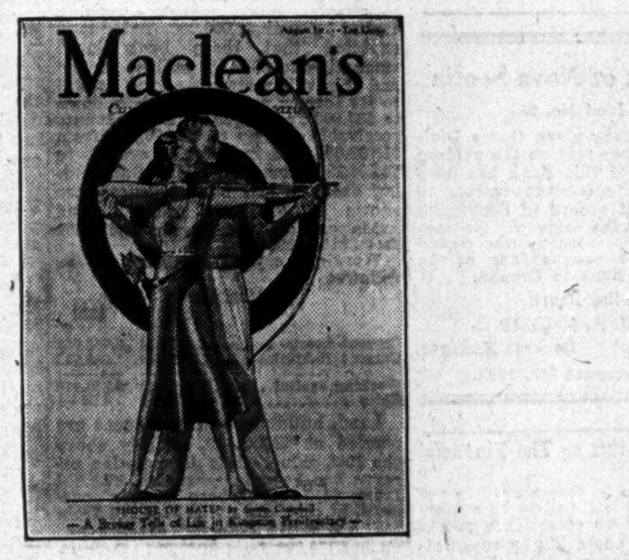

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First in advertising linage, Maclean's has the confidence of advertisers and agency executives. Figures from Printers' Ink, July 13, 1933, show that in the first six months of this year, Maclean's carried a total of 189,249 lines; an average of 31,541 lines per month.

• • • •

FROM these two features alone it is evident that, having regard for the substantial character of Maclean's readers and its circulation of more than 200,000 copies each issue, advertisers are satisfied that this magazine has a position of standing and influence with a larger number of such families than any other publication of any kind in the Dominion.

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Moreover, each copy of Maclean's is read on the average by 1.6 men and 2.1 women — a statement made as a result of the findings from two questionnaires submitted to subscribers. This means that in addition to its leadership in circulation, in influence, and in advertising linage, Maclean's, being read by men as well as women, gives to advertisers *Double Coverage at One Cost.*

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NOTICES

The Ontario Municipal Board

NOTICE IS HEREBY GIVEN that the Board of Trustees of The Roman Catholic Separate Schools for the Town of La Salle has become subject to the provisions of Part VI of The Ontario Municipal Board Act, 1932, by an order of The Ontario Municipal Board bearing date the 23rd day of June, 1933, and from and after the first publication of this Notice in the Ontario Gazette all actions or proceedings against the said Board are stayed and thereafter no action or other proceeding against the said Board shall be commenced or continued nor shall a levy be made under a Writ of Execution against it without leave of The Ontario Municipal Board.

Dated this 23rd day of June, A.D., 1933.

H. C. Small,
"Secretary of The Ontario Municipal Board."

The Ontario Municipal Board

Notice is hereby given that the Board of Trustees of The Roman Catholic Separate Schools for the Township of Sandwich West as to School Section No. 8, has become subject to the provisions of Part VI of "The Ontario Municipal Board Act, 1932," by an Order of The Ontario Municipal Board bearing date the 23rd day of June, 1933, and from and after the first publication of this notice in the Ontario Gazette all actions or proceedings against the said Board are stayed and thereafter no action or other proceedings against the said Board shall be commenced or continued nor shall a levy be made under a Writ of Execution against it without leave of The Ontario Municipal Board.

Dated this 23rd day of June, A.D. 1933.

H. C. SMALL,
Secretary of The Ontario Municipal Board.

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DIVIDEND NOTICES

The Canadian Bank of Commerce

Dividend No. 186

Notice is hereby given that a dividend of Two per cent in Canadian funds on the paid-up capital stock of this Bank has been declared for the quarter ending 31st August, 1933, and that the same will be payable (less five per cent Dominion of Canada tax in the case of non-residents of Canada) at the Bank and its Branches on and after Friday, 1st September next, to shareholders of record at the close of business on the 31st July, 1933. The Transfer Books will not be closed.

By Order of the Board.

S. H. LOGAN,
General Manager.

Toronto, 21st July, 1933.

The Bank of Nova Scotia

Dividend No. 255

Notice is hereby given that a Dividend of three per cent on the paid-up Capital Stock of this Bank has been declared for the current quarter to shareholders of record of September 15th, and that the same will be payable on and after Monday, the second day of October next, at any of the offices of the Bank in Canada.

By order of the Board.

J. A. McLEOD,
General Manager.

Halifax, N.S., August 8th, 1933.

UNITED STATES SAID TO LACK MONEY POLICY

(Continued from page 1)

but support it by withholding criticism. This is being done partly on patriotic grounds, partly because of reluctance to criticize when no constructive suggestions can be made.

The monetary policy of the United States can best be expressed by reiteration of the recent remarks of Professor O. M. W. Sprague: "Currencies cannot be stabilized until economic conditions are stabilized." This opinion is worthy of note because of the great esteem in which the commentator is held in Washington, and his important advisory capacity. There does not seem to have been much change in policy in the United States since this view was expressed several weeks ago, judging from The Financial Post's latest information from Washington.

Pressure on Administration

While the recovery programme in the United States is being started, pressure on the administration is not declining. A free gold market is being urged strongly by mining interests and some economists. Moreover it is expected that if the NIRA innoculation does not "take" within five months, Congress will demand monetary action. The next session of the United States legislature is scheduled for January, 1934. It is generally conceded that progress must be evident by that time or anything may be advocated by Washington politicians.

Immediate devaluation of the dollar in terms of gold is urged as a panacea for the persisting economic ills by new economic advisers to Mr. Roosevelt. Professor G. F. Warren, of Cornell University, who is considered a radical theorist in conservative financial quarters, is one advocate of raising the price of gold to $36 an ounce. He contends this would raise prices to the levels of 1926. In a recent article in "The Forum," Mr. Warren stated:

Warren's Remedy

"If at any time we attempt to restore the gold dollar containing 23.22 grains of gold, and require that the debts be paid in such dollars, we shall simply be resuming the chaos which was just ahead of us when we were forced off the gold standard.

"The only alternative to reducing the debt and price structure to the value of gold is to revalue the dollar so as to raise the price structure to the level to which debts, taxes, and other charges are most nearly adjusted.

"It would be a great calamity to be deluded into thinking that the rise in prices which has come from a decline in the gold value of the dollar is due to currency, credit, or government control of agriculture and industry, all of which came later. None of these can succeed except as the gold content of the dollar is reduced by the right amount, none of these is necessary.

"A country can set either the price level it desires or the amount of metal it desires to have in its money. It cannot do both. If we desire a higher price level it means a dollar of less gold value.

"It is impossible to return to the old dollar because the credit structure will not stand such a strain; and the social structure will not tolerate it. If the gold content of the dollar is reduced by [illegible], or the gold raised 50 per cent, gradual recovery will occur."

Plan Criticized

A leading banker-industrialist comments on this to The Financial Post:

"The concern in this regard is not that the result will fail to be achieved, but that if we establish a means of overcoming our debts by repudiating them in part, we deny the value of thrift—we void the sanctity of contracts—disturbing the mental attitude of those who have saved and create a doubt as to the wisdom of future savings. If we accept the act as justifiable at the present time, what is to prevent the repetition of the process five or ten years hence? If standards are thrown into the discard, what remains to cling to? That seems to me to be the important feature to be considered."

This theme about raising prices by devaluation of the dollar does not get unanimous agreement among economists. Sir Walter Layton, editor of "The Economist" of London, not long ago stated that gold revaluation itself wouldn't do anything. His contention was that the banking and credit systems would have to be employed. In this contention he has the support of a large body of orthodox economists, particularly those of Great Britain.

In support of the argument against the need for raising the statutory value of gold to lift prices, British economists have pointed out frequently that inflationary movements have taken place without such action. These have occurred for various reasons. They contend that it is still possible to raise prices without changing the value of gold by statute.

Free Gold Market

It is expected that a price of about $30 an ounce would result if a free gold market were established in the United States. This is based on the prevailing rate of exchange on gold currencies and on the London bullion market quotations for gold.

Some commentators say that if such a market is opened in the United States, Great Britain would start inflationary moves immediately. It is stated that this would be certain. On the basis of economics as it has been taught by British exponents, the reasoning behind this is not perfectly clear. Mere establishment of a bullion market would not change matters greatly, according to these teachings. But statutory devaluation of the dollar in terms of gold would perhaps be another matter. Then the pound would be faced with competition from an officially devalued currency, and measures might conceivably be taken to meet the changed condition. This may be what is meant by statements that the British would make inflationary moves if gold is valued upward in the United States.

NAT. GROCERS PREF. SHARES EARNED $10.45

Company Reports Best Earnings Since 1930—Bank Loan Up

Net earnings of National Grocers Co. of $601,109 are reported for the year ended June 30, 1933, bettering the record for both 1932 and 1931. Redemption of $1,086,500 of 6½ per cent notes in August, 1932, by means of a bank loan has reduced interest charges to some extent, but in redeeming the notes the company had to pay exchange on United States funds amounting to $160,545. Despite this charge and increased amount paid in dividends on preferred stock, the company was able to increase surplus by $28,680.

Net profit is shown at $308,628 as compared with $268,215 in 1932 and after payment of all fixed charges the company earned $10.45 per share on the preferred stock against $9.08 per share in 1932. Excluding arrears of dividends on this stock amounting to some 40 per cent, but providing for payment of a full year's dividend on the preferred stock, earnings per share of common amounted to 34 cents per share as compared with 21 cents in 1932. During the year two quarterly dividends were paid on the preferred stock. Income and surplus account is as follows:

INCOME AND SURPLUS ACCOUNT
Years Ended June 30

	1933	1932
	$	$
Net earnings	601,109	569,291
Less: Deprec.	119,902	112,330
Bond interest	9,085	88,431
Inc. tax res.	68,193	52,315
Bond disc. and organ. exp.	21,523	48,000
Bank int., etc.	73,778	......
Net profit	308,628	268,215
Less appropriations:		
Pref. divds.	103,362	51,681
Surp. for year	205,266	216,534
Add: Prev. surp.	804,328	634,176
Less:		
Prior yr. adjust. & loss on equip. sold	......	4,293
Prem. on U. S. funds	160,545	......
Trans. to conting. reserve	16,042	37,089
Balance forward	838,007	809,328

While current assets of the company were increased during the year, the increase in bank loans made necessary by the redemption of the company's notes reduces working capital by over $1,000,000. Later it is expected that these bank loans amounting to $992,560 will be funded and this will restore working capital to its former position. Cash is down to $87,800 from $305,614 but accounts receivable are up to $2,136,680 from $1,708,005 and inventories are up to $1,806,986 from $1,681,559. Outstanding cheques, less bank balances, are shown at $181,896; accounts and notes payable are up to $1,013,481 from $886,428.

Working capital position is as follows:

Working Capital

	1933	1932
	$	$
Current assets	4,094,764	3,755,762
Current liabilities	2,302,335	939,712
Working capital	1,792,429	2,816,050
Ratio	1.77—1	4.00—1

Land, buildings and equipment are carried at $2,586,426, slightly above the 1932 value, while depreciation reserve has been increased to $605,844 from $118,958. There remain outgage, at cost, are up to $204,318 from $181,528 while deferred charges are up to $252,230 from $249,514. Reserve for contingencies is up to $135,000 from $118,958. There remains outstanding 29,532 shares of $100 par preferred stock, formerly known as second preferred stock, and 295,852 shares of no par value common stock.

Note:—See page 2 for information as to how a complete analysis of this company can be obtained.

Wheat Exports in the week ended July 28 amounted to 2,713,925 bu. as compared with 2,005,941 bu. in the previous week and 4,871,251 bu. in the corresponding week a year ago.

Leather Footwear production in June totalled 1,965,647 pairs, the highest monthly total ever recorded and comparable with 1,559,192 pairs in June a year ago.

Coke Production in June totalled 136,000 tons, as compared with 134,000 tons in May and 119,000 tons in June a year ago.

Macmillan States Report to be Human

J. A. McLeod is First Witness at Opening Session in Ottawa — Commission Goes First to Victoria, Then Across Canada

Initial hearing of the Royal Commission on Banking and Currency, headed by Lord Macmillan was held on August 8 in Ottawa with J. A. McLeod, president of the Canadian Bankers' Association and general manager of the Bank of Nova Scotia presenting the first testimony of Canadian bankers.

Bennett J. Roberts, comptroller of Government guarantees, has been appointed chief secretary to the commission and A. F. W. Plumptre, lecturer in money and banking at the University of Toronto, has been appointed assistant secretary. Gilbert E. Jackson, professor of olitical economy at the University of Toronto, has been retained by the Canadian Bankers' Association as an adviser particularly in connection with the hearings of the Commission on banking reforms.

That the Royal Commission investigating the Canadian banking system will try to bring in a report that is a human document that would be an authoritative account of the Canadian banking system of interest to the Canadian people was indicated by Lord Macmillan, chairman of the commission, in his address given at the opening session held in public in Ottawa on August 8. The generous terms of reference, he stated, would permit the commission to take into consideration larger issues of policy as affecting Canadian banking and currency generally, and to offer any suggestion which the evidence may justify to meet the pressing difficulties of the day.

Greeted, at its initial sitting, by Hon. E. N. Rhodes, Minister of Finance, the five members of the commission heard two briefs submitted by J. A. McLeod, president of the Canadian Bankers' Association and general manager of the Bank of Nova Scotia. Leaving for Western Canada on August 9, the commission will hold a hearing in Victoria and then work eastward through the Prairie Provinces, Ontario, Quebec and the Maritimes conferring with bankers and their customers in order to collect a valuable body of exposition and criticism on which to base its report. It is expected that sittings will be concluded by October.

Review of System Advisable

Lord Macmillan, in responding to the speech of welcome by Hon. E. N. Rhodes, paid tribute to the Canadian banking system and voiced his appreciation of the importance of the task that the Commission had undertaken. Speaking of the decennial revision of the Bank Act, he said:

"They enable the existing code to be reviewed at reasonable intervals, in the light of changing circumstances and growing experience. No human institutions are perfect, and it is inevitable that in the working out of the best devised code defects will from time to time be revealed, and useful improvements will suggest themselves.

"And, indeed, as we know to our cost, the circumstances in which a code was originally framed, may subsequently undergo fundamental alteration, so that a system admirably adapted to serve one stage of national development, may prove inadequate without fresh adjustments to meet new and unforeseen conditions.

"Even if examination reveals no defects, it is always reassuring to know that our machinery is subject to periodical inspection and overhaul."

"There can be no question that the past ten years have seen the emergence of a number of new problems affecting the banking world of a singularly complex and refractory character, while many of the old problems have assumed a new guise and a new importance. To take only one instance, the international aspect of banking has become much more prominent. The world is daily growing smaller as distance is annihilated and the economic interdependence of the nations of the globe has received, in some quarters at any rate, growing recognition.

"It may be well to consider the adequacy of our existing machinery to deal with this new phase of finance. No one can deny the difficulty of such problems.

Tribute Is Deserved

"We are happy to know that the Canadian banking system has been recognized, even by those most disposed to be critical, to have come through this most trying period so far with admirable fortitude. It has stood up well to the demands which the world crisis has made upon its resources, and has retained the general confidence of the community which it serves.

"In view of the less fortunate experiences of others, this is a tribute which the banks of Canada well deserve to have paid to them. The institution of this Commission in no sense implies a condemnation of Canadian banking; its purpose, rather is to lend such assistance as may be possible in enabling it to cope with the difficulties with which it is confronted, and the new needs which it has to meet.

Public Entitled to Explanation

"There is a tendency to regard problems of banking and money as peculiarly mysterious. It is quite true that the science and the art of banking have their technical aspects which are often recondite and difficult for the mere layman to understand. But that is the way with all branches of science, not least with that which I have myself practised all my life, the law. It is the same with medicine and with physical science.

"Yet the daily life of every one of us is affected by the advances which are made in law, in medicine and in science generally, and, while it would be absurd to expect every one to have the technical equipment of the barrister, the doctor or the physicist, we laymen are entitled to ask those to whom these special provinces are assigned, to give us such explanations of their work as an intelligent citizen can appreciate, and to render to us some account of their activities which shall reassure us that these activities are being so conducted as to be conducive to our welfare.

"The enquiry on which we are now embarking affords just such an opportunity of explanation to the people of Canada of the general working of their banking system, whose efficiency is to them a matter of practical daily concern. The technicalities are, and must necessarily be, for the expert, but technique is of value not for itself but only in so far as it serves practical ends, and, while we cannot all be banking experts, we can all say how far our reasonable practical requirements are met by the existing technical apparatus.

Banking Not Productive

"It is for the expert, in the light of these requirements to devise the best technical means of meeting them. Such enquiries as this serve a negative as well as positive purpose. They enable the public to know what cannot be done as well as what can be done. It is perhaps due to the necessary unfamiliarity of the layman with the principles which underlie sound banking that he often brings himself to believe that almost anything—even a new economic heaven upon earth—can be brought about by manipulating finance.

"I need not say how many such schemes have reached me. The only trouble is that no two of them agree. The truth is that, while a sound banking system is one of the most valuable of national assets, and an immense aid to trade and commerce, it is not itself productive. It is merely the subject of production and distribution, and unless a country is running itself on sound business lines, the most perfect banking system in the world cannot save it from the inevitable consequences of its breaches of economic laws."

Mr. McLeod, on behalf of the Canadian Bankers' Association presented two briefs which covered the history of banking legislation in Canada from the incorporation of the Bank of Montreal in 1822, and a detailed explanation of how this legislation works out. He stated:

"An endeavor has been made to describe objectively the workings of the Canadian banking system, in at least some of its main aspects. The task has been deliberately limited to one of description. No attempt has been made either to point out imperfections in the system, with regard to which the bankers might wish to make representations, or to defend the system against criticisms which have been passed upon it from time to time by critics who are not themselves bankers.

Serves Needs of Canada

"At this point, however, a single broad generalization may, perhaps, properly be made on the system, as it serves the commercial needs of the country; to the effect that, as the result of the many changes which have been made during the past two generations, it has provided Canada with a financial structure which is at the same time extremely strong and singularly flexible, with a structure well adapted to the needs of a country whose interest in external trade is second to that of no other, not even excepting Britain; and no less well adapted to the needs of a country which has for centuries been pushing its frontiers westward and northward into the wilderness, as it must continue to do for many years to come."

In outlining the present banking laws, Mr. McLeod gave the following seven features that he felt to be distinctive in the Canadian system of banking:

(1) The freedom of the banks from statutory limitation as to the treatment of their reserves;

(2) The right of note issue possessed by the banks;

(3) The maintenance of an extensive system of branches both within the Dominion and abroad;

(4) The protection of the banks by the pledge of warehouse receipts;

(5) The legislative requirement of an internal audit and the direct government inspection of the banks;

(6) The provision for assessing a double liability on shareholders in the event of failure.

(7) The right to obtain advances of Dominion notes from the Government in accordance with the Finance Act.

Gives Basis For Stability

The stability of the banking system, which has been free from failure for the past ten years, is due, according to Mr. McLeod, to the following five features.

(1) The operation of the banking system under a single legislative authority;

(2) The freedom of the Canadian banker from the hampering influence of meticulous regulations in detail;

(3) The minimum of size and strength prescribed for Canadian banks in the Bank Act;

(4) The systematic and progressive training of bank executives, which is provided by promotion through the branch system; and

(5) The smooth and orderly distribution of banking funds according to local needs, which is also made possible by the branch system.

Mr. McLeod stressed the importance of the Canadian banks in financing the wheat crop.

Mr. McLeod stated that there was now one branch bank for every 3,350 people in Canada; that some of these branches were run at a loss in expectation of ultimate profit and that thus a complete banking organization was given a pioneer community where business would not otherwise warrant the opening of a branch. At June 30, the Canadian banks operated 3,854 branches of which 3,695 were in Canada. At May 31, 1933, total assets of the banks amounted to $2,835,000,000 and total loans to the public amounted to $1,229,413,000 of which $990,854,000 was lent at home and $238,559,000 abroad.

Branches were managed by men of experience and the community was safe-guarded against the risk of a bank manager taking a purely local view of local problems.

"All loans are made at the branches," he said, "branch managers have authority to make loans up to certain maxima, without the need of reference to higher authority, for authorization of these loans. These maxima do not follow set rules, but are fixed for the branch managers individually. The maximum up to which a particular manager may loan depends upon his own experience and judgment, and upon the nature of the collateral offered for the loan.

"Application for a loan beyond the maximum set for him obliges the branch manager to refer the application (if the bank is a large one) to the district supervisor under whom he operates, or (if the bank is a small one) to the head office. His reference is accompanied by statements as to the customer's position; as to the particulars of collateral offered; and such other information as is necessary to determine the quality of the risk. Upon the granting of the loan (unless it is secured by readily saleable stocks or bonds) the borrower will customarily submit his balance sheet to the bank annually, or oftener, together with his manufacturing or trading, and profit and loss accounts; any credits are reviewed annually, usually at the close of the borrower's fiscal year."

"Supervisors are empowered to pass upon loans up to certain limits, which vary in different banks: If the amount for which application is made exceeds the scope of the supervisor's discretion, he in turn forwards the application to head office, together with the necessary information, and his own recommendation with regard to it.

"By a system of returns and reports from branch banks, the head office is in possession at all times of full information, regarding all loans of $1,000 and over.

"Furthermore, each branch is inspected annually (or more often, and at uncertain intervals, if this is considered necessary); and the inspection report includes a list of all loans, small as well as large, with brief comments by the bank inspector regarding the smaller loans, and the manager's report regarding loans in excess of a stated amount.

"The annual inspection reports, a bound volume, giving a complete review of the business of each branch, is placed in the hands of the directors of the bank, as soon as it becomes available."

There is no short term money market in Canada, according to Mr. McLeod. A short term money market implies the existence of a relatively large amount of money seeking temporary investment and flowing to and from the market as world-wide fluctuations in money rates direct. The bankers acceptance is practically unknown in Canada and short term government treasury bills are also unavailable. The banks have two outlets for surplus funds outside of current loans to producers and the small call loan market. These outlets are the New York call loan market and investments in high-grade securities. Security holdings of the banks tend to reach a maximum at or near the close of a depression when they are abnormally large and tend to decline steadily during years of expanding trade as the demand for commercial loans increases. During the swing upward from stagnation to great activity of trade the proportion of the banks' assets that are invested in securities appears as a rule to be reduced by about one-half.

Mr. McLeod stated that the banks could expand credit at need through the provisions of the Finance Act. "The procedure under the Finance Act," he said, is exceedingly simple and from the standpoint of the bank, it is admirably convenient. "In accordance with this legislation, the bank applies annually to the treasury board for a credit, against which it undertakes to pledge securities of the character specified by the Finance Act. These securities are lodged with the Receiver-General of Canada; and the bank is thereby enabled to obtain Dominion notes, whenever it requires a temporary enlargement of its cash resources.

"These are normally required in Montreal, which is the domicile of the central clearing fund. If, on the other hand, they should be required in Toronto or elsewhere, they can immediately be made available, upon telegraphic instructions from the Receiver-General in Ottawa, at the office of the Assistant Receiver-General in the province concerned.

"Or again, if additional Dominion notes of small denomination should be needed elsewhere in Canada (either for ordinary use as till money or to meet a local "run") it is possible under this system for the bank, either in Montreal or Toronto (where most of the Dominion notes of large denomination are stored in vaults), to deposit with either of the Assistant Receivers-General stationed in these cities legal tender notes of $50,000 and upward, receiving in exchange, from the Assistant Receiver-General in the province containing the branch which requires these additional cash resources, a corresponding amount of Dominion notes of small denomination.

"It is difficult to conceive of an arrangement more elastic than this, or of one which would in practice operate more smoothly."

Outlines Foreign Business

Business transacted in branches abroad was much the same as Canadian business; deposits were accepted from the public and loans made to farmers, manufacturers and traders. Normally, in good times or bad, the aggregate of deposits abroad exceeds the aggregate of current loans made by these branches. Deposits and loans would not maintain a close correspondence in any given country but the banks met this situation by transferring funds from one country to another, neither of them Canada. The whole transaction was thus concluded without any drain on Canadian banking resources.

State laws barring deposits, the business of New York branches was principally in call loans. The interest return on these loans was relatively low but funds were thus invested with entire safety, could be converted into cash almost instantly and could accordingly be considered as, in effect, part of the bank's cash reserve.

"The Canadian bank accordingly makes it a practice, under normal conditions, to maintain a part of its assets in the form of call loans in New York. The amount so maintained is subject to considerable variation, and for several reasons. In the first place, the rate of interest to be obtained varies very considerably; and from the standpoint of earnings, this is a consideration. In the second place, the balances held in New York, by branches of the bank beyond the limits of the American continent, fluctuate widely from time to time. In the third place, if funds are quickly required in Canada, for any purpose, the conversion into cash of loans at sharp call, and purchase of Canadian funds with the proceeds, is the quickest method of bringing in such funds from abroad; while on the other hand, at times when there is a sudden accumulation of cash at branches of the bank in Canada, which is likely to militate against the bank's earnings (as after the harvest movement for example), the readiest means by which such cash resources (in excess of those actually required for the conduct of the bank's business in Canada) can be converted at a moment's notice into earning assets, is by lending them at call in the New York money market.

Demand Deposits Continue To Increase During June

Trend of Recent Months is Maintained; Current Loans and Call Loans of Banks Slightly Higher; Liquidity is Further Increased

Continued increase in demand deposits for the fourth consecutive month and only a moderate decline in savings deposits which is more than offset by increase in foreign deposits are among the chief features of the statement of the Canadian chartered banks as at the end of June. Domestic deposits had net increase of $26,240,000 during June and exceeded deposits at June 30, 1932, by $59,775,000. Foreign deposits increased by $18,798,000 during June. As a result the liquid position of the banks was still further strengthened. Demand deposits were up by $36,130,000 while savings deposits fell off by $9,889,000.

Current loans increased during June by $2,704,970 and call loans increased by $7,751,634 but this increase was well under the gain in domestic deposits and the ratio of current and call loans to demand and savings deposits in Canada dropped to 52.09 per cent from 55.14 at the end of May. Current loans are $137,531,000 under the amount of loans outstanding at the

Chief increase in assets is shown in that class that is the most liquid.

The statement of the chartered banks at June 30 compared with the statements as at May 31, 1933, and June 30, 1932, is as follows:

ASSETS

	June, 1933	May, 1933	Change	June, 1932	Change
Immediately Available Liquid Resources					
	$	$	$	$	$
Specie	50,948,517	55,483,043	—4,534,526	54,967,387	—4,018,870
Dom. notes	138,058,520	130,728,697	+7,329,823	127,390,977	+10,667,543
Gold reserve	21,181,732	19,481,732	+1,700,000	22,881,732	—1,700,000
Foreign banks	82,947,182	84,516,463	—1,569,281	103,106,728	—20,159,546
Foreign curr.	21,584,987	22,712,369	—1,127,382	15,569,546	+6,015,441
Govt. secs.	638,665,556	631,092,797	+7,572,759	462,309,745	+176,355,811
Call loans ab'd	99,894,097	90,201,811	+9,692,286	73,666,758	+26,227,339
	1,053,280,591	1,034,216,912	+19,063,679	859,892,873	+193,387,718
Loans and Securities Other Than Those of Canadian Government					
Public secs.	165,915,260	162,053,265	+3,861,995	152,038,571	+13,876,689
Railway secs.	55,573,524	43,047,778	+12,525,746	54,983,264	+590,260
Can. call loans	101,518,053	93,766,419	+7,751,634	109,868,315	—8,350,262
Current loans	899,782,928	897,077,958	+2,704,970	1,037,313,917	—137,530,989
Loans abroad	152,772,212	148,357,111	+4,415,101	174,895,690	—22,123,478
Prov. loans	21,660,790	32,660,482	—10,999,692	34,338,040	—12,677,250
Mun. loans	135,218,549	142,940,760	—7,722,211	139,216,545	—3,997,996
	1,532,441,316	1,519,903,773	+12,537,543	1,702,654,342	—170,213,026
Other Assets					
Non-curr. loans	14,259,354	14,283,173	—23,819	12,506,663	+1,752,691
Real estate	7,890,107	7,813,724	+76,383	7,192,266	+697,841
Mortgages	6,301,346	6,265,884	+35,462	6,007,746	+293,600
Premises	78,826,979	78,991,256	—164,277	79,895,219	—1,068,240
Lets. of credit	45,537,597	46,471,395	—933,798	48,493,015	—2,955,418
Loans to comp.	13,358,478	13,417,104	—58,626	13,008,189	+350,289
Other assets	1,567,217	1,748,593	—181,376	1,420,429	+146,788
	167,741,078	168,991,129	—1,250,051	168,523,527	—782,449
Total	2,753,462,985	2,723,111,814	+30,351,171	2,731,070,742	+22,392,243
Note cir. dep.	6,774,117	6,615,338	+158,779	6,950,952	—176,835
Int. bank bal.	129,228,816	105,565,081	+23,663,735	110,155,599	+19,073,217
Gross	2,889,465,918	2,835,292,233	+54,173,685	2,848,177,293	+41,288,625

LIABILITIES

	June, 1933	May, 1933	Change	June, 1932	Change
To the Public					
Circulation	137,742,040	128,365,391	+9,376,649	136,295,915	+1,446,125
Dom. Govt.	13,038,028	30,829,792	—17,791,764	36,417,005	—23,378,977
Prov. Govt.	22,233,121	18,929,751	+3,303,370	20,665,028	+1,568,093
Govt. advances	51,944,000	42,344,000	+9,600,000	40,500,000	+11,444,000
Deposits by Public					
Demand dep.	535,048,009	498,917,874	+36,130,135	488,937,580	+46,110,429
Savings dep.	1,386,930,428	1,396,819,807	—9,889,379	1,373,265,341	+13,665,087
Total	1,921,978,437	1,895,737,681	+26,240,756	1,862,202,921	+59,775,516
Foreign dep.	324,920,903	306,123,163	+18,797,740	308,220,892	+16,700,011
Due to Banks Abroad, Etc.					
Un. Kingdom	5,226,829	4,680,772	+546,057	5,730,912	—504,083
Foreign	32,346,757	31,520,866	+825,891	51,360,417	—19,013,660
Bills payable	571,980	468,794	+103,186	1,192,889	—620,909
Lets. of credit	45,537,597	46,471,395	—933,798	48,493,015	—2,955,418
Other liabs.	2,204,066	2,173,967	+30,099	2,184,476	+19,590
Public liab.	2,557,743,758	2,507,645,572	+50,098,186	2,513,263,470	+44,480,288
Due bet. banks	14,984,627	12,185,180	+2,799,447	11,038,158	+3,946,469
Liability to Shareholders					
Dividends	650,802	2,468,799	—1,817,997	816,528	—165,726
Reserve	162,000,000	162,000,000	....	162,000,000	....
Capital	144,500,000	144,500,000	....	144,500,000	....
Gross	2,879,879,187	2,828,799,551	+51,079,636	2,831,618,[illegible]	+48,261,031
Credit index*	52.1%	52.3%	—0.2%	61.6%	—9.5%

*Ratio of current and call loans in Canada to demand deposits in Canada.

Position of Chartered Banks of Canada as of June 30, 1933, Shown by Monthly Returns to Minister of Finance

LIABILITIES

NAME OF BANK	Notes in Circulation	Balance Due to Dominion Government	Advances under Finance Act	Balances Due to Provincial Governments	Demand Deposits in Canada	Savings Deposits in Canada	Deposits Elsewhere	Bal. due to other banks in Canada	Due to Banks in U.K.	Due to Banks Elsewhere	Bills Payable	Letters of Credit outstanding	Other Liabilities	Dividends Declared and unpaid	Reserve Fund	Capital Paid Up	Total Liabilities	Capital Authorised	Capital Subscribed	% Last dividend	*Loans to Directors and firms of which they are partners	Average gold and Coin Held	Average Dominion Notes Held	Greatest amount of notes in Circ.
	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	%	$	$	$	$
Montreal	35,380,208	7,614,481	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Nova Scotia	11,574,088	654,281	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Toronto	6,296,424	397,706	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Provinciale	3,585,885	327,555	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Commerce	25,342,919	225,967	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Royal	31,498,307	1,946,877	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Dominion	6,521,185	502,770	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Nationale	8,867,314	576,665	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Imperial	8,388,380	640,677	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Barclays (Canada)	287,330	151,049	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Total	137,742,040	13,038,028	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

* And loans for which they are guarantors.

ASSETS

NAME OF BANK	Current Gold and Subsidiary Coin	Dominion Notes	Notes of other banks	United States and other foreign currencies	Cheques on other banks	Balances due from other banks in Canada	Due from Banks in U.K.	Due from banks elsewhere	Government securities	Canadian municipal, British and foreign securities	Railway and other bonds and Stocks	Call loans in Canada	Call loans elsewhere	Other current loans in Canada	Other current Loans elsewhere	Loans to provincial governments	Loans to municipalities	Non-current loans	Real estate other than premises	Mortgages on real estate	Bank Premises	Letters of Credit	Deposit for note circulation	In central gold reserves	Shares of and loans to controlled companies	Other assets	Total assets
	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$
Montreal*	17,933,650	68,244,814	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Nova Scotia	10,029,802	12,215,632	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Toronto	365,002	4,878,262	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Provinciale	221,964	374,936	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Commerce†	11,604,710	29,268,761	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Royal‡	8,793,480	23,079,188	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Dominion	636,725	3,251,539	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Nationale§	920,349	1,201,607	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Imperial	429,844	4,394,896	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Barclays (Canada)	12,991	148,885	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Total	50,948,517	138,058,520	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

*Of this deposit $5,181,782 is in gold coin; [illegible] is in Dominion notes.
†The business of the bank in Paris, France, and in San Francisco, U.S.A., is carried on under the name of local incorporated companies and the figures are incorporated in the above statement.—Footnote to Bank of Montreal return.
‡The figures of The Canadian Bank of Commerce (California) are incorporated in the above statement.—Footnote to Canadian Bank of Commerce return.
§The Royal Bank of Canada (France) has been incorporated under the laws of France to carry on the business of the bank in Paris, and the assets and liabilities of the Royal Bank of Canada (France) are included in the above statement.—Footnote to Royal Bank return.
¶The assets and liabilities of the Banque Canadienne Nationale, France, same being considered a branch operating as a subsidiary of the Banque Canadienne Nationale, are included in the above statement.—Footnote to Banque Canadienne Nationale return.

Your Investments

Letters from subscribers to The Financial Post, who desire information bearing on their Canadian investments, will be answered by an early mail, and questions of general interest will be answered on this page. We cannot extend this service to non-subscribers nor do we answer enquiries relating to American stocks or foreign securities generally. A three-cent stamp or stamped envelope must be enclosed. Write mining and insurance enquiries on sheets separate from other investment enquiries. No answers can be given by telephone or telegram. We do not select lists of securities but will supply current facts about securities in a list you may supply. Nor do we attempt to make any forecasts of the probable trend of any security. The service, in other words, is one of fact and not of opinion.

Canadian Bronze

Can you tell me how Canadian Bronze is regarded? I have considered purchasing a few shares in this company, but before taking any action would like an outside opinion.

Canadian Bronze's operations and earning power are largely dependent upon the volume of railway buying. Over the last two years the railways have limited their purchases to a minimum and until such time as railway traffic shows a marked improvement, we do not anticipate the placing of any large orders with Canadian Bronze or other companies catering to the railways. As for Canadian Bronze itself, the company is well managed and has an excellent record. Over a period of time it should do well.

Shawinigan

Will you let me know the yield to maturity on Shawinigan 4½ per cent bonds due in 1967 and the same company's bonds, bearing interest at 5 per cent and due in 1970? I would also like to know the current position of the company and prospects for earnings on the common stock.

At the current market price of 80, Shawinigan 4½'s of 1967 return a yield of 5.40 per cent to maturity.

At the current price of 86½, Shawinigan 5's of 1970 yield 5.90 to maturity.

Both these bonds are issued in denominations of $500 and $1,000.

The position of Shawinigan Water and Power Co. has undergone an improvement. The better feeling and increased production in the newsprint industry has been helpful. Shawinigan markets a large proportion of its output of energy to the pulp and paper companies for motive power and steam purposes.

Other power operations of Shawinigan have been fairly satisfactory this year. Sales of power to Montreal Light, Heat and Power Cons. are on a long term contract. Retail sales have been holding up well. Sales of power to the asbestos industry have not been as satisfactory as they might be. The chemical division has been more active lately and prospects are promising for the balance of the year.

The miscellaneous division, covering the company's investments, does not promise very well this year. The company has large holdings in United Securities, which controls Montreal Tramways. It is to be expected that income from that source will decline owing to the fact that Montreal Tramways has reduced its dividend disbursements. Income from Quebec Power, in which the company owns controlling interest, also will be lower this year.

From the interim report on the first six months of 1932, indications are that earnings of Shawinigan common stock for 1933 will amount to 75 cents a share or better compared with dividend needs of 50 cents a share.

Canada Cement

It would be appreciated if you could let me have an opinion on Canada cement Co. common stock. How has the company been getting along and do you think the stock should be regarded as a long hold?

Canada Cement Co., in its present form, has never earned very much on the common stock. It has attracted a speculative following but some time must necessarily elapse before the company is able to develop an adequate earning power on its junior security. The volume of business handled by the company has fallen off in the last two years and at present no dividends are being paid on the preferred stock. There is some prospect of a pick-up in business this year but we do not anticipate that this will be reflected in any marked increase in earning power. Both the preferred and common stocks of this company should be regarded as long-hold investments with the thought in mind that as the country develops, Canada Cement will be able to establish better earnings on its capital stock.

Dom. Industrial Alcohol

I hold 79 shares of Dominion Industrial Alcohol common stock for which I paid $10 per share. Can you tell me if these shares possess any value today?

We can find no value to Dominion Industrial Alcohol common shares. The company never got anywhere from the standpoint of shareholders. The president is now dead. Up to the time of his death an effort was made by some shareholders to hold the directors responsible and see if they could not recover something in the courts. We have not heard of any success attending that effort.

Imperial Oil

I hold 25 shares of Imperial Oil purchased at $12 and $27 per share. Should I hold this stock?

I would like to buy some stock that has a good chance of going up. What would you recommend?

Stock of Imperial Oil Co. has been an excellent investment for those shareholders who have held it over a long period of years. Substantial improvement in earnings may take several years, but unless you feel that the entire stock market is going to have another relapse there would appear to be no reason for selling your present holdings.

It is against the policy of The Financial Post Investment Enquiry Department to suggest stocks for speculation, although we will be very glad to reply to any enquiries regarding specific stocks which you may care to make.

Northwestern Power

I own a $1,000 six per cent, first mortgage, sinking, fund convertible gold bond of the Northwestern Power Co. Please let me know the possibility of increase or decrease in value of these bonds and the likelihood of interest and principal payments being made when due.

Interest on Northwestern Power 6's of 1960 was defaulted in July, 1932. Winnipeg Electric Co., the parent firm, which guarantees the bonds, has been in financial difficulties, and has stated that it cannot meet its obligation under the guarantee. A bondholders protective committee has been formed, and bondholders have been asked to deposit their securities with the Royal Trust Co., Montreal. The committee has received permission from bondholders to apply for a bankruptcy order against Winnipeg Electric Co. This has not been issued, but it appears that a reorganization of the latter company and its subsidiaries, including Northwestern Power Co. will result. It is doubtful whether interest and principal in their present form, will be paid to Northwestern Power Co. bondholders. But better general conditions might improve the prospects. The trouble with Northwestern Power has been that it has developed its power but cannot sell it.

Hiram Walker

I am holding on margin 100 shares of Walkers preferred which cost me $16.25 per share. This stock had been up to $19 but I had been advised not to sell. I would like to have your opinion on this stock, whether I should sell around cost, or hold. I would also like to know when they are going to pay their next dividend, how much and how often.

The preferred stock of Hiram Walker-Gooderham and Worts, Limited, is of no par value, but has preference to assets up to $20 per share and cumulative dividends at the rate of $1 per share per annum. The stock is callable at any time at $20 per share and accrued dividends, or is redeemable in the open market at a price not exceeding $20 per share. In June, the shareholders were advised that the company had received 197,929 shares of preferred stock at an average price of $9.41 through purchase in the open market and that there were 462,071 shares of preferred stock still outstanding. The more preferred stock that the company buys, the stronger the position of remaining preferred shareholders, but on the other hand, it is not likely that the stock will sell above the redemption price of $20 per share.

The company pays dividends quarterly on March, June, September and December 15 to shareholders of record February, May, August and November 25.

Consolidated Paper

I hold a 5½ per cent, 1961 series, gold bond of the Consolidated Paper Corp. What are the prospects of interest and principal on these bonds being paid when due?

Consolidated Paper Co. has undergone a reorganization which reduced the capitalization by about half. The company has a deficit (excess of current liabilities over current assets) of $6,964,226 in working capital account as at Mar. 31, 1933. Thus, its financial position is not good despite the reorganization. In the 15 months ended Mar. 31, 1933, a net loss of $98,087 was suffered after paying bank interest and carrying charges on properties not operated. The company had bank loans of about $14,600,000.

The outlook depends on general economic conditions and improvement in the paper industry. Higher prices may come and price-cutting may cease, if the Roosevelt reconstruction programme in the United States forces Canadian paper companies into a price agreement. The paper industry is regaining productive activity, being now back to about the level of operations of a year ago. But considerable improvement still has to take place before it can be expected that interest and principal payments on the company's bonds will be resumed.

Brewers & Distillers

Three weeks ago our brokers advised us that stock of Brewers & Distillers of Vancouver would be listed on the N. Y. curb in the course of a week or so from that date, the information they had from a very authoritative source. As this information went around very generally we would like to know if The Financial Post has any information regarding the reason of the delay in listing these shares, if there is a likelihood of the stock being listed in the early future or, if there is any reason why these shares should not be listed on the N. Y. curb.

While our name does not appear on your list of subscribers we are regular readers as our news vendor will substantiate if necessary.

Rumors that Brewers and Distillers of Vancouver stock would be listed on the New York curb were, as you indicated in your letter, current several weeks ago. To date the stock has not been listed on the New York curb and we are making enquiries as to whether application was ever made for listing. We know of no reason why these shares should not be listed on the New York curb. We are informed that there has been some selling of the stock from London where control has previously been held. Whether or not this means that control has now passed to Canadian or American hands remains to be seen.

Abitibi Paper

I should like some particulars regarding the present position of Abitibi Power & Paper Co.

Abitibi Paper is now operating under receivership and under a petition in bankruptcy. Some of the mills of the company are quite active under present conditions but much will depend on how enduring the present spurt of business in the United States is. Demand is greater for the company's products but prices have not improved.

In its attempt to recover its old position the company faces the fact, as pointed out by the receiver in a statement showing the position as of last September 1, that the company has two low cost mills, at Iroquois Falls and at Pine Falls, four efficient mills besides this and three large mills that are very high cost. These high cost mills may have to be abandoned but the company is tied up with some power contracts in connection with these. These would have to be adjusted before the company could come out of bankruptcy.

The bondholders' protective committee and the preferred stockholders' protective committee also will have to bring a reorganization plan of some kind to the notice of bondholders and stockholders. They will probably want the situation to be straightened out pretty well before presenting a plan.

Canadian Wineries

Will you please give me all the information possible re Canadian Wineries Ltd.?

Canadian Wineries, Limited, is a holding company which owns and operates seven subsidiaries engaged in the manufacture and wholesale and retail sale of native wine, cider and unfermented grape juice. The company was organized in 1928 and has an authorized capital of 200,000 shares of no par value common stock, of which 100,000 shares are outstanding.

The fiscal year of the company ends on April 30, and in the year just ended the company earned 7 cents per share after providing for depreciation and income tax. Dividends were paid at the rate of 15 cents per share. Net earnings from operations in the year just ended were $45,212, which compared with $57,719 in 1932 and $126,882 in 1931. F. W. Lee, president of the company in a statement made during June stated that while there had been a decline in total volume of business during the preceding year, the company had continued to obtain an increase in volume of such business as was available. No indication was given as to when an upward trend in sales might be expected.

Northwestern Power

Please let me know the possibilities of interest and principal on Northwestern Power Co. six per cent bonds, due 1960, being paid when due.

Interest on Northwestern Power 6's of 1960 was defaulted in July, 1932. Winnipeg Electric Co., the parent firm, which guarantees the bonds, has been in financial difficulties, and has stated that it cannot meet its obligation under the guarantee. A bondholders protective committee has been formed, and bondholders have been asked to deposit their securities with the Royal Trust Co., Montreal. The committee has received permission from bondholders to apply for a bankruptcy order against Winnipeg Electric Co. This has not been issued, but it appears that a reorganization of the better company and its subsidiaries, including Northwestern Power Co. will result. It is doubtful whether interest and principal, in their present form, will be paid to Northwestern Power Co. bondholders. But general conditions might improve the prospects. The trouble with Northwestern Power has been that it has developed its power but cannot sell it.

Western Bonds

Do you consider Manitoba six per cent bonds of 1947 and Saskatchewan six per cent bonds of 1952 a good investment at the present time?

Both Manitoba and Saskatchewan have had trouble with their finances. They are both in debt to the Dominion, but the debt of Saskatchewan in this respect is much the larger, being some $28,000,000. Budget expenditures of both provinces have been reduced, but it is doubtful whether balanced budgets will appear from this year's operations.

The rising price of wheat has restored bonds of these provinces to a considerable measure of popular favor. But a small crop is sure for this year. Thus, the increase in the price is likely to be offset by the small crop. This is of great importance to the provinces because tax collections and credit in the West depend largely on the wheat crop.

An important factor in the situation is the Dominion's gamble with enormous wheat holdings which were taken over from wheat pools in 1931. If a profit is made on these holdings, which are estimated to have cost perhaps 60 to 65 cents a bushel, it will go to the prairie governments, the pools or the farmers, not to the Dominion. The Dominion stands any losses. If this wheat can be sold, it should mean much to the finances of the Western provinces. At present not much Canadian wheat is being sold on world markets, our price being out of line for the export trade. You can see that the general financial position of Western provinces depends on general conditions. If affairs work out satisfactorily, the bonds may turn out well.

Great-West Saddlery

I have been advised to sell my Great-West Saddlery six per cent bonds, due 1948. What is the position of the company?

The outlook for sales and profits of Great-West Saddlery depends largely on the price of wheat and the purchasing power of the Western areas. The small crop this year is expected to offset higher prices so far prevailing. But the West may benefit from sales of the Dominion's sales of large stocks of wheat, if these are marketed.

The company has undergone a transformation in the last three years, and has been reorganized internally. Its last statement, recently reported in The Post, shows much improvement. Bond interest was earned before allowance for depreciation. Bank loans have been cut and the company has ample working capital. The company has continued to pay bond interest. Bonds outstanding were reduced. Note this report in the Aug. 5 issue of The Post.

P. T. Legaré

Will you please furnish me with some information on P. T. Legaré six per cent bonds?

It has been feared that September 1 interest on P. T. Legaré six per cent first mortgage bonds might not be met when due. However, it appears that recent developments make the possibility of payment brighter. The company's operations are reported to have improved in the last two months. The company's bank loan, which stood at $570,200 at Dec. 31, 1932, is understood to have been reduced by about $125,000 recently. Due to this the company's bankers are understood to be willing to allow payment of the Sept. 1 interest.

The company had $2,946,230 of accounts receivable on its books at Dec. 31, which compares with inventories of $942,671 and fixed assets, buildings, etc., of $2,777,456. It is understood that collection of accounts has been difficult owing to the depression. Last year the company suffered a deficit of $247,919 before allowing for depreciation or paying bond interest, as compared with net earnings of $214,484 in 1931 and $368,884 in 1930.

Mining Enquiries

Mining questions and problems submitted by subscribers of The Financial Post will be answered by letter and those of general interest will be published on this page. We cannot extend this service to non-subscribers. A three-cent stamp or stamped envelope must always be enclosed to cover the direct reply. Write general investment and insurance enquiries on sheets separate from mining enquiries. No answers can be given by telephone or telegram.

Sherritt-Gordon

Would you please let me have your views about Sherritt-Gordon Stock as a long term speculative investment?

Sherritt-Gordon Mines demonstrated in the few months it was in operation that it was a moderately low cost copper producer and officials have signified their intention of resuming operations when copper becomes stabilized at ten cents a pound or above. The company has a fair amount of fair grade ore, but is handicapped to a certain extent by the lack of control of its own power plant, smelter or refining facilities. Given a return of the high copper prices, such as prevailed at the time the company was formed, the chances are that it could make a nice profit. The future of the company is inseparably tied with higher prices for copper.

Siscoe vs. Sherritt

Would you please give me your opinion of Siscoe Gold Mines, and whether you advise a switch from Sherritt-Gordon to Siscoe?

The question of switching from Sherritt-Gordon Mines into Siscoe Gold Mines is governed in part by your need for dividends. Sherritt-Gordon is inactive, without prospects of resuming operations until copper prices improve. On the extent of the advance in copper will depend the company's prospects for earnings. On the other hand, Siscoe Gold Mines is steadily improving its position, paying a good dividend and according to latest advice is meeting with success in its more recent developments.

Falconbridge Nickel Co.

I notice that Falconbridge Nickel Co. reports good earnings. What do you think of it as an investment? How is it able to expand its facilities and sell its production when International Nickel is showing a loss? Do you think there is justification for the present price of the shares or is it a market play staked by parties interested in disposing of their holdings?

Falconbridge Nickel Co. is currently making a rather impressive showing to those who are not close students of the company's activities. Last year was the first time the company published an earnings statement and this in part reflected the profit on the sale of the accumulated stocks of nickel built up and unsold in previous years, when no profit was made.

What has been heralded as an expansion programme, made necessary to meet increased business, is seen by some to be a necessity owing to a lower grade of ore. The production in the past has been from a grade of ore higher than the mine average, according to the company's own figures, and the installation of a concentrator was apparently influenced by other factors than increased capacity.

Whether the present earnings can be maintained in future years is one of vital importance to investors. Aside from the question of ore and its treatment, is the marketing and economic problems facing the company. It has no marketing organization or research bureau such as that possessed by its big neighbor the International Nickel Co. and therefore Falconbridge's sales activities are sheltered under the protecting umbrella of International Nickel. In British American Nickel Corp. there is a precedent of what happened to a small competitor trying to edge in on a business built up by others. It survived for a while but finally went into liquidation. Mond Nickel was included by a merger because it had valuable high grade deposits.

Falconbridge Nickel is principally owned by Ventures Ltd., and its allied interest, Sudbury Basin Mines.

Ribago Copper Corp.

What are the possibilities of Ribago Copper Corporation as a speculation? Has it any worth-while assets?

Ribago Copper Corp. was incorporated in 1926 to develop a copper prospect in northwestern Quebec, but operations were suspended late in 1929 with inconclusive results. Since that time the company has had options on various properties but does not have sufficient funds to carry out any conclusive programme. There is nothing to indicate that the company will assume active importance unless some adequate financing arrangements are made.

Dominion Explorers

What is the present status of Dominion Explorers? Is it adequately financed and has it speculative possibilities? What has happened to its Great Bear Lake properties that once focused attention when the MacAlpine party got "lost" in the Arctic?

Are not those promoting White Eagle Silver Mines closely associated with Dominion Explorers? Why did not they turn these claims, if promising, over to Dominion Explorers instead of forming a new company?

Dominion Explorers is without funds and is facing a financial reorganization before any important programme can be undertaken. The importance of its Great Bear Lake claims has not been established and there is little evidence that it will again command the attention it did when its sponsors became lost in the Arctic.

Yes the White Eagle Silver Mines is a promotion by interests closely associated with Dominion Explorers and the possible reason that the silver claims were not financed and developed through Dominion Explorers is that it's easier to promote a new company than resuscitate an old one.

Mandy Mines

What is the outlook for Mandy Mines with an improved price for copper? I have some shares of the company and was thinking of averaging up at present prices.

Mandy Mines, during the World War, mined some high grade ore at its property near Flin Flon in northern Manitoba but developments since that time have failed to reveal an extension of the high grade ore. Operations have been closed for the last two or three years and until there is a revival of interest in copper brought about by higher metal prices, there is no indication that interest could be revived in copper prospects of a questionable merit.

Kirkland Townsite

What is the interest behind Kirkland Townsite shares that is keeping the shares at present prices? Is there a possibility that the Lake Shore will acquire the property?

Kirkland Townsite Mines adjoins the Lake Shore and Wright-Hargreaves properties on the south. The principal interest in the parallel properties is the possible extension of the main Kirkland Lake veins dipping southward at depth. There is no evidence to substantiate this at the present depth of workings but it is known that Harry Oakes, president of Lake Shore has acquired an interest in the properties adjoining Kirkland Townsite, just as an insurance policy against possible developments at depth. At the present time there is nothing to indicate the property's worth, except the value it may have to Lake Shore or Wright-Hargreaves.

Hilltop Gold Mines

What do you think of Hilltop Gold Mines as a penny stock speculation? What are the company's interests at the present time? I hold some of the shares and was thinking of buying more.

Hilltop Gold Mines is without worthwhile funds and has no tangible assets that could be considered important. Such being the case there is little to back up even one cent per share for the stock. One has to be guided by the fact that at current prices little would be realized by selling. These penny stocks have a habit of jumping over night a few points on rumors. Your need for funds can best guide your speculative instincts.

Bralorne Gold Mines

What do you think of Bralorne Gold Mines at present prices as an investment? How is the property doing?

Bralorne Gold Mines has been giving a good account of itself since production started a little over a year ago. The company has been most fortunate in the discovery of wider ore zones than were anticipated and so far as one is able to judge is on a sound production basis and enjoys good management. Engineers who have just been to the property are highly pleased with the outlook, but present production will hardly justify market prices. With an improved ore outlook it is probable that mill capacity will be further increased, but in purchasing one must bear in mind that present prices are discounting earnings from operations of greater magnitude.

Big Missouri

What has happened to Big Missouri Mining Co.? I heard that it was being succeeded by a Canadian company. Is this correct? What is the outlook for the company?

Big Missouri Mines Corp. is a recent reorganization of Big Missouri Mining Co. in which shareholders will get one new share for each two shares presently held. Principal interest in the company is in its 40 per cent share holding in the Buena Vista Mining Co., owning a gold property in the Portland Canal district of British Columbia, under the development of Consolidated Mining and Smelting Co. Big Missouri expects by reorganization to get some $100,000 to increase its interest in the Buena Vista Mining Co. The property is not near the commercial production stage and while Smelters have said that developments were not encouraging a limited amount of work is continuing in the hope that greater success will attend future efforts.

Can. Pandora Gold Mines

What can you tell me about Canadian Pandora Gold Mines as an investment? Are the officials of the company experienced mining men? Has sufficient ore been encountered to justify the construction of the mill just announced?

Canadian Pandora Gold Mines is developing a gold prospect in Cadillac Township, Quebec, adjacent to the O'Brien Mines now in production. The company has revamped its capital structure several times to suit its efforts to raise money for development. Some success has been met with in its development programme but no engineer's reports have been made public as to the true ore development that would justify the construction of a mill recently announced. The best that can be said is that it is an interesting prospect in an interesting geological area and as such carries all the risks and potentialities of an unproven property. The officials of the company are experienced in mine promotion but are not practical mining men.

McWatters Gold Mines

What is the outlook for McWatters Gold Mines? I am told it will be worth $40 per share in five years time. Is there any foundation for this statement?

McWatters Gold Mines has an interesting showing in Rouyn township, Quebec, but a great deal more work will have to be done to determine its true importance. It is amply financed and the work is directed by experienced men. Surface indications were spectacular and encouragement has been met with in underground work, but until a more extensive programme is completed it must necessarily remain in the prospect stage. Any suggestion that in five years time it would sell for $40 is a wild guess with no relation to facts as they are now presently known.

Sullivan Con. Mines

Will you please give me some information regarding the Sullivan Consolidated Mines? Where is the property located and has sufficient work been done to warrant the construction of a mill?

Sullivan Consolidated Mines was incorporated in 1932 as a reorganization of the Sullivan Gold Mines. It has an authorized capitalization of $4,000,000 in $1 par value shares. Development is being conducted by Ventures, under an option agreement. The company's property consists of 890 acres in Dubuisson Township, Quebec, adjoining the Siscoe Gold Mines. Underground development has met with some success, but reports on development by Ventures are vague and no information has been published that would enable one to correctly appraise its importance. The property lies in a very favorable geological area, adjacent to Siscoe which has given such a good account of itself in the last four years.

Small Reduction in Value of Quebec Sea Fisheries

Production of the Quebec fisheries in 1932 had a total value of $1,815,544 compared with $1,952,894 in 1931. These totals showed the value of fish marketed whether sold for consumption fresh or prepared in the various forms, i.e., canned, smoked, dried, etc. The cod fishery is of chief importance, the production in 1932 valued at $648,722.

The greater part of the catch of cod was dried and sold for export although considerable quantities are also marketed for consumption fresh, or as green salted. Cod liver oil is also an important product of this fishery. Among the other chief commercial fishes are lobster, herring, salmon and mackerel.

The quantity of fish of all kinds caught and landed in the Province of Quebec during the year 1932 amounted to 919,719 cwt. for which the fishermen received a total of $1,451,784 an increase in quantity compared with the preceding year of 68,953 cwt., or 8 per cent, but a decrease in value at the point of landing of $184,792, or 12 per cent.

The trade agreement with the Union of South Africa resulting from the Ottawa Imperial Conference, came into force on June 30 this year.

Figures for the 1933 fiscal year ended March 31, show that Canada's trade with British South Africa amounted to approximately $9,000,000 of which $4,900,000 was imports and $4,000,000 exports. Compared with a year ago, imports from South Africa have increased, the total for the 1932 fiscal year being $4,323,000 but exports have decreased more than 50 per cent, the 1932 total being $8,401,496.

Under the terms of the treaty, a long list of South African products, including maize, fruits, sugar and molasses, become subject to preferential duty rates while Canada obtains favored treatment on exports of wheat, automobiles, rubber manufactures and paper.

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Wheat

From Our Grain Correspondent

European Crops Good Farm Income Higher

CONDITIONS in Europe continue most satisfactory for crops, with unsettled weather in the north and clear, warm weather in the centre and south. In most Southern European countries harvesting is completed. In France it has been proceeding satisfactorily, and while the yield is smaller than last year, the quality is reported to be superior. In Germany harvesting is active and prospects are very favorable. Harvesting is also now under way in the Balkans, Austria and Southern England.

In Poland, where harvesting will shortly commence, the crops have recently improved and the condition is reported to be above the average. The new Hungarian crop is said to be around 75,000,000 bushels, compared with 58,500,000 bushels a year ago. Harvesting of wheat in Southern Russia is making satisfactory progress under favorable conditions and is gradually extending into the centre. However, reports reiterate that much spring grain this year was planted on poorly cultivated land.

* * *

NET money value of the 1932 wheat crop to Prairie farmers amounted to $122,027,723 as compared with $113,685,591 in the previous crop year, according to a compilation made by the W. Sanford Evans Statistical Service, Winnipeg. A total of 372,001,000 bushels of wheat was delivered during the crop year ended July 31 as compared with 265,575,000 bushels during the previous crop year. The average return per bushel was 30.1 cents in 1932-33 and 42.8 cents in 1931-32.

Both Manitoba and Saskatchewan farmers had better returns than in the previous crop year, while the return to Alberta farmers was somewhat smaller. Wheat delivered and dollar returns by provinces are as follows:

		Bushels	$
Alta.	1932-33	173,625,000	53,610,097
	1931-32	138,058,000	58,242,154
Sask.	1932-33	147,895,000	49,112,214
	1931-32	96,460,000	41,632,820
Man.	1932-33	50,481,000	19,305,412
	1931-32	31,057,000	13,810,618

* * *

Some Western Areas' Buying Power Enhanced

WITH a crop of only 200,000,000 bushels now being estimated in some quarters and 250 million being generally expected for the Prairie Provinces, the extended market promised manufacturers when wheat prices practically doubled is almost entirely eliminated. In order to provide the same dollar return to farmers as last year's crop, prices will have to move even higher than they are at present. It should be remembered, however, that there are a number of districts throughout the three provinces where crops have not deteriorated to any extent and that the buying power of these areas will be greatly enhanced over last year by the higher prices.

Cannot Avoid Production Cut

It seems hardly possible that acreage or production restriction agreements can be avoided, if as seems likely, nationalistic policies continue to place obstacles in the way of export sales of wheat, the Journal of Commerce, New York, states in a recent editorial. At the same time, it is stated, that if international trade in wheat is to continue, exporters must have guaranteed from importers that present limited markets will not be taken away from them.

The editorial points out that the present statistical position of world wheat supplies is by no means unfavorable, since neither production nor stocks are excessive, judging by the standards of earlier years. It points out, however, that the restrictions placed by importers have had a very serious effect in increasing the surpluses in exporting countries, and with most of the European countries now subsidizing wheat production of their own, and even Britain helping the domestic farmer in this respect, there seems little hope that these markets will again become open to the mass producers.

It is obvious, the editorial continues, that mere restrictions upon acreage and exports will not guarantee profitable outlets for wheat unless importing countries are willing to co-operate to make the plan succeed. There must be assurance that if the exporters reduce shipments they will be permitted to sell what they have to offer on reasonable terms. If, on the other hand, importing countries should proceed to raise wheat tariffs or reduce import quotas, thereby encouraging increased production behind these protective barriers, the wheat exporting nations will be no better off after restrictions than they were before.

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Grain and Milling in Canada

ESTIMATED YIELD OF PRAIRIE WHEAT 10.5 BU. PER ACRE

Deterioration Continued Throughout July from Heat and Grasshoppers

From 245 points out of a total of 318, depreciation from the previous month is reported in the wheat crop, according to the third monthly crop report of the Weekly Market News, Winnipeg, dated August 1. Reports were filed at noon on that date and reflect conditions until that time. Crops were reported as maturing rapidly under the effects of the heat wave which was only broken toward the end of July.

The most serious cause of damage has been heat and drought with grasshoppers also cutting into promising stands or eating what remained of the crop in the drought areas.

Wheat Yield

Balancing the factors as best they could at this date, correspondents undertook to give an estimate of the wheat yield per acre without further damage. Applying these averages to the acreages within each crop district, the average yield for the prairies lies between 10.5 and 12.5 bushels per acre. Since much of the wheat is still in the soft-dough stage the figure thus arrived at is open to revision. Only when threshing is well advanced will reliable estimates be available.

Alberta and Manitoba are almost on a par in prospects for wheat. In both provinces there are distinct differences between good and poor districts but the averages for wheat yields per acre are quite near together, and Manitoba somewhat lighter. Ten per cent of Manitoba wheat acreage is estimated to be a total failure, most of it located in the southwest. In Alberta, almost 13 per cent is a total failure, this being located in southern and central districts.

Saskatchewan Poorer

Saskatchewan is decidedly poorer. A large area calculated at over 25 per cent of the wheat acreage will be abandoned. Crop districts 3, 4, 6 and 7, wherein most of the drought-stricken acreages lie, will have an average yield between 5 and 6 bushels per acre of wheat. It is fortunate that excellent prospects in crop district 5, the Yorkton area, in some measure offset the areas of failure. Over the whole province, the average yield of wheat is given in our report as 8 to 10 bushels per acre.

Extreme temperatures had their effect upon soil moisture and upon pasture. In Saskatchewan at least, the feed problem is assuming serious proportions. It will be remembered that two years ago a great many municipalities had to apply for relief. In 1932 crops were better distributed and the need was much alleviated. Within the last two or three weeks the rapid destruction of feed crops and pastures by weather conditions and grasshoppers has caused several municipalities to again apply to the Saskatchewan government. Almost one-half of the reports received from Saskatchewan anticipated a serious feed shortage.

Rains now are essential to maintain yield prospects and to give relief to parched land, whether crop or pasture. According to meteorological reports rainfall is below last year and below normal in all provinces and our own reports emphasize lack of sub-soil moisture.

Frost was reported in Alberta several days ago and in Saskatchewan Monday night and Tuesday morning. Several points in Saskatchewan mention the low temperatures but they are not yet able to estimate the extent of damage.

Only four stations in Manitoba reported rust and no appreciable damage is now likely.

SETS NEW RECORD IN WHEAT EXPORTS

Vancouver Handled Nearly 97,000,000 Bushels in Past Year

From Our Own Correspondent

VANCOUVER.—This port set another record for itself this season in the export of wheat. A total of nearly 97,000,000 bushels passed through Vancouver during the season according to Merchants Exchange figures, as compared with 95,400,000 bushels in the 1928-29 season, which was the previous high. Last season, 1931-32, only 84,500,000 bushels were shipped.

The export movement through Vancouver during the season averaged 175 carloads, or one average tramp ship cargo, each day, including Sundays and holidays.

Next year's prospects depend a good deal on the Oriental market. Just what effect the shipment of United States wheat to China will have remains to be seen. The tendency during the season just closed was downward so far as the Orient was concerned. Shipments to the Far East were only one third of the 1928-29 total and they were not as great as last year either. The biggest gain during the season just passed was in United Kingdom-Continental shipments, these totalling 84,375,000 bushels as compared with 70,000,000 bushels the previous season.

World Grain Knowledge Augmented At Regina

Wide Range of Subjects From Grasshoppers to Power Machinery Discussed—Published Report Will Be Valuable Reference

From Our Own Correspondent

REGINA.—The Grain Conference held in connection with the Regina World Grain Show was not intended to settle anything. Its success is therefore not to be measured by any definite action, but rather as it either added to the sum of knowledge on problems connected with grain, or assisted in the dissemination of available knowledge. In these respects a good deal may be said to have been accomplished, and the printed proceedings of the conference will provide a store of very valuable information which will be useful in subsequent discussions of wheat problems.

The principal and open sessions of the conference, held in the mornings, were devoted mainly to the general economic aspects of the problems of wheat production and marketing. In the afternoons a series of technical problems were discussed in meetings of which from three to five might be going on concurrently, under the direction of the Canadian Society of Technical Agriculturists, ranging in scope from a study of the life history of grasshoppers and measures for their control to the technique of crop production or the use of mechanical power.

Attendance Varied

Attendance at the main sessions of the conference ranged from about 100 to 350, changing in composition to some extent from day to day. Farmers in attendance at the grain show indicated a good deal of interest both in these discussions, and in the more technical subjects discussed by groups during the afternoons, but much of the benefit of the conference will necessarily only be available as the papers as subsequently printed and given a wider circulation among those in a position to make use of the information are made available.

The statistical background of the conference was laid in on the first day. W. Sanford Evans of Winnipeg, with the help of a series of charts described the variation in production of wheat in recent years, and the trend of price fluctuations. One of the most interesting points developed was the tendency of prices as recorded on the Liverpool market, to vary with the annual production of wheat in the world, and a tendency of the price curve to move, from one year to another up or down in almost the same percentage as the total volume of production moved down or up.

Wheat and Prices

The fall in other commodity prices during the depression was demonstrated by Mr. Evans, and the close relationship of the movement of such prices with those of wheat, and the wide divergence of such prices from those of goods purchased by the producers of raw products. Commercial dislocation was pointed out as inevitable, from the inability of such producers to buy on their accustomed scale.

Restriction of Production

Restriction of production would doubtless have played a much larger part in the discussions of the conference except for the fact that this subject was already in the international field, with its fate to be decided on what came out of the conference at London. The case for controlled production was presented by C. W. Petersen, who besides being editor of the Farm and Ranch Review, Calgary, is also a member of the Wheat Problems Committee established by the premiers of the prairie provinces, which has been responsible for recommendations to the Dominion Government for agreement either to restrict acreages or to establish an export quota system.

His argument rested largely upon the thesis that the unexampled increase in world population, which had taken place during the past century, a "cancerous growth" to quote one of his expressions, had probably come to an end, and might be succeeded either by stationary or declining populations. Although not dealing directly with this problem, G. J. S. Broomhall, had previously declared that harassed growers who want a quick remedy to the price situation must cut down production; while Sir Alfred Humphries, representing the organized milling trade of Great Britain had analyzed the world import cereal requirements, and had come to the conclusion that no great increase was likely.

Emphatic Dissent

The most emphatic dissent from the idea that the world is suffering from a surplus of food was expressed by Sir Daniel Hall, who in addition to representing the British ministry of agriculture, represented the International Agricultural Institute at Rome. In vigorous language he stressed the point that large parts of the world's population are not consuming food on the scale or of the kind that would meet their desires. Excess of cereals would rapidly disappear if conditions could be established that would make possible greater consumption of meat and dairy and poultry products, to produce any of which requires many times the consumption of cereals, and the employment of acreage, that is required to furnish an equivalent amount of energy direct from cereals consumed by human beings.

T. W. Grindley, of the Dominion Bureau of Statistics, Ottawa, analyzed the increase in world wheat acreage which has taken place in recent years, and the way in which it has outstripped the increase in world population. The fact was brought out that the increase in acreage has been mainly in the four great exporting countries, Canada, the United States, Australia and the Argentine, but also that a considerable recession in acreage had already taken place in the United States since the high point reached in 1919.

A point stressed by several speakers who dealt with statistics, was the fact that the existing world carry-over of wheat had originated mainly in the extraordinarily large production of wheat in 1928, and that the total of world carry-overs since then had tended to remain close to the level established at the close of the 1928-29 crop year. Their failure to be reabsorbed in the following year, as had been expected because of lessened production in exporting countries, was due to the fact that Europe in 1929 experienced even greater crops of wheat, rye and potatoes than in the previous year.

J. S. Davis, of the Food Research Institute, Standford University, California, came to the conclusion that while wheat prices had been adversely affected by the depression, wheat had itself contributed in a considerable degree to the depression, largely because the wheat situation had been incorrectly appraised in 1929, and a series of policies entered upon, both governmental and commercial, which aggravated, instead of improving. Carl S. Alsberg, a director of the Food Research Institute, later dealt with the changing conditions of wheat consumption during the depression, with a tendency toward increase in some countries and some areas offset by a tendency toward reduction in other areas and countries.

Bernard W. Snow, of Chicago, found in tariffs, not only of the United States but also of other countries, the root of many ills which now afflict farmers. His thesis was essentially this, that governmental policies had for a long time discriminated against agriculture and in favor of industry, but the consequences of this fact had been hidden in new countries by the tendency of land values to rise. The farmer had been content to take less than his proper share from year to year in the hope of a deferred reward in the ultimate sale of his land for more than he had paid for it. Lowered tariffs to cheapen what the farmer has to buy as well as to permit increased trade, he regarded as essential, but of necessity slow in accomplishment, and in the meantime he regarded some form of direct assistance to agriculture by governments as essential.

V. P. Timoshenko, of the University of Michigan, presented no rosy view of the accomplishments of Russian agriculture in his statistical examination of the Russian situation. He indicated that the pre-war level of efficiency in the production of cereals in relation to population had not yet been reached, while the production of meat and dairy products, and the equipment of livestock was far below pre-war standards. That Russian energies would have to be devoted to feeding the Russian people, instead of to producing grain for export was one of his principal conclusions. These ideas were supported by E. J. Stirnaman, of Brooklyn who for two years had been in charge of mechanical operations on the State grain farms of Russia. Although strongly stressing the technical efficiency that had been attained in some directions, political and remote control of operations Mr. Stirnaman considered to be great obstacles to past and to future success.

Pierre Beaubien Promoted by National Breweries

Pierre Beaubien has been appointed vice-president in charge of advertising by National Breweries, Ltd., Montreal. The appointment is effective immediately.

Mr. Beaubien has for some years been vice-president and managing director of Frontenac Breweries, Ltd., Montreal, and it is announced that, since National Breweries has acquired his services, he will resign the Frontenac managership, but will retain the offices of vice-president and director, acting in an advisory capacity to that firm.

Mr. Beaubien is a member of an old French-Canadian family. He was born in Montreal, in 1894, was educated at St. Mary's College and Montreal University and has travelled widely in Europe. He first became associated with the brewing industry in 1916.

Can. Industries Expands Cellophane Factory

Canadian Industries Limited is making slight extensions to its factory at Shawinigan Falls, Que., where Cellophane is being manufactured under special contract with Du Pont Cellophane Co.

A C. I. L. official said that these extensions form part of the original plans made when the Cellophane unit was first projected. He also stated the plant is now making colored Cellophane and is now in a position to supply the Canadian demand for all grades and colors both in the plain and moistureproof varieties.

Winnipeg Grain Prices

Week to August 8

Crop year from Aug. 1, 1933 High	Crop year from Aug. 1, 1933 Low		Open Aug. 2	High for week	Low for week	Close Aug. 8
		Wheat				
.89⅛	.80¼	October	.88½	.88½	.80¼	.80⅜
.90⅞	.82¼	December	.90	.90	.82¼	.82⅜
.95	.86¾	May	.94¾	.94¾	.86¾	.86¾
		Oats				
.45	.40	October	.44	.44½	.40⅞	.41⅝
.45⅝	.41⅛	December	.44	.44¾	.41⅛	.41⅝
.48½	.43¾	May	.47	.47⅞	.43¾	.43⅞
		Barley				
.55⅞	.50⅞	October	.55	.55	.50⅞	.51
.56½	.52	December	.56¼	.56⅜	.52	.52
.59¾	.54¼	May	.59	.59½	.55½	.55½
		Flax				
1.55	1.39	October	1.47	1.49	1.39	1.40½
1.54	1.36	December	1.42½	1.48	1.38½	1.39
1.60	1.48	May	1.49	1.53½	1.44	1.45½
		Rye				
.62¾	.55¾	October	.62¼	.62¼	.55¾	.56¼
.64½	.58	December	.64½	.64½	.58	.58¼
.68½	.62	May	.67	.67	.62	.62¾

Ignorant Wheat Gamblers Said Bane of Grain Trade

Argentine Wheat Outselling Canadian — One Man's Holdings Demoralized Markets — Government Had to Give Support, Says Canadian Authority

Crazy speculation by ignorant operators is making it difficult for the flour and grain trade to carry on its legitimate business, that of marketing the products, in the opinion of a prominent Canadian grain man recently interviewed by The Financial Post.

Results: Argentine wheat is satisfying the European markets, seizing market-place leadership from Canada. Paralysis recently struck grain markets in the United States. John I. MacFarland, operator for the Canadian Government's huge wheat holdings had to take on large quantities of grain to keep the Winnipeg market from collapsing. So says this grain trade man.

Gigantic speculations by a single individual, one Dr. Crawford, forced the limitation of futures on the Chicago Board of Trade recently, according to this man's story. "He made Arthur Cutten, a clever operator who helps the market by taking up the slack, look like a selling plater, at least as regards quantity," The Post was told. "Crawford, an ignorant plunger, cornered rye, loaded up over a dozen Chicago brokers with wheat and corn futures. Then came the break. When he couldn't put up more margins a number of brokers started to sell him out. They had to call a halt on trading and limit fluctuations in Chicago to prevent complete demoralization there. Crawford was holding 13,000,000 bushels of corn, in addition to wheat. So the wheat, or a good deal of it, was dumped in Winnipeg.

Government Position

"John MacFarland would give his eye teeth to be rid of the Government's grain," said this trade authority. "He sold enormous quantities all the way up from 80 to 97 cents. Then when the Crawford wheat started to come into the Winnipeg market he had to buy heavily to prevent the price dropping to perhaps 50 cents a bushel." So, according to this story the MacFarland holdings have been replenished, and do not show the shrinkage which might be hoped for.

Crawford was a doctor who turned speculator and conducts his operations from New York.

At present prices, about 85 cents for July at the time of the conversation, this grain man told The Post that British buyers are merely nibbling at our supplies. "I hope we may be able to drag them up to our prices," he said. "Englishmen have been buying Argentine wheat in preference to ours for months and liking it. And the newspapers continue to print nonsense about the Argentine crop being of low grade. The thing that counts is that Europe is buying it and eating it."

As to sales of flour, this man said that our prices are too high. And he blames it on wheat speculation. Moreover millers are nonplussed by the market, and cannot count on the normal influence of the trade as a guide on prices.

British Preference

Asked about the effects of the Empire preferences on wheat and flour, he said it hadn't helped the flour trade much. Millers, he said, are operating under a handicap in export freight rates. There is a discrepancy in favor of wheat, he contended. He thought the rate of flour was about right, but that the rate on wheat is too low. This makes it easier to sell wheat than flour in Great Britain. And this makes competition very keen from British millers, whom he called "the best in the world."

"If we have a 200 million bushel crop, wheat should be worth about 90 cents," The Post was told. "There is lots of wheat, even if our crop is small." On several estimates of production and consumption for the 1933-34 year he contended that the present carryover would more than make up for any deficiency from new crops.

Operations of the western wheat pool were characterized as uneconomic by this authority. "European buyers of our wheat didn't like the idea of an organization holding up the price," said he. "The pool taught them to grow wheat, and now they are harvesting big crops behind tariff walls.

"I hope the Government is able to market its wheat successfully," he said. "Only I wouldn't like to see them do it and come out and take credit for their luck. The whole operation was foolish from the outset."

SPRUCE FALLS EARNS INTEREST; PAYS OFF BANK

Value of Sales Dropped 40 p.c.; Volume Was Down 20.4 p.c.

Net earnings of Spruce Falls Power & Paper Co. dropped sharply in the year ended April 30, 1933, being reported at $763,375 as compared with $2,049,758 in the preceding year, but bond interest of $696,667 was earned 1.1 times after depreciation and the company had a net profit of $32,150 after provision for taxes. Payment of dividends on first and second preferred stock for six months of the year wiped out operating surplus, although a capital surplus of $10,217,729 remains.

Sales of the company of newsprint paper and sulphite pulp were down by 20.4 per cent on a tonnage basis and 40 per cent down on a basis of dollar value than in the preceding year. Drop in value is due both to reduced consumption of newsprint and price reductions made during the year. Income and surplus account is as follows:

INCOME AND SURPLUS ACCOUNT
Years Ended April 30

	1933 $	1932 $
Net earnings*	763,374	2,049,758
Less: Depletion	....	66,139
Bond interest	696,667	751,667
Taxes	34,558	125,690
Net profits	32,149	1,106,262
Less appropriations:		
1st pref. divs.	311,500	623,000
2nd pref. divs.	175,003	350,007
Surp. for year	†454,354	133,255
Add: Prev. surp.	206,121	72,866
Depletion	‡252,951	....
Oper. surp. for'd	4,718	206,121
Add: Cap. surp.	10,217,729	10,500,000
Total surp. for'd	10,222,447	10,706,121

* After reserves for contingencies and depreciation, general expenses, etc. † Deficit.

‡ Timber limit depletion charged against operating surplus, now transferred and charged against appraisal surplus.

Working capital dropped to $870,213 from $1,553,876 but the ratio of current assets to current liabilities was unchanged at 1.88 to 1. During the year the company retired $1,000,000 of its 5½ per cent serial bonds and reduced bank loans to $501,933 from $1,082,692. Since April 30 it is stated that bank indebtedness has been paid off. Reduction in current assets is due mainly to reduction in cash to $156,616 from $928,255; accounts and bills receivable to $324,616, from $461,494 and advances and expenditures on woods operations to $356,650 from $657,867. Inventories are down by $104,000 to $915,925. In addition to the reduction in bank loans, accounts payable are down to $166,405 from $266,952 and wages, taxes and crown dues are down to $123,932 from $286,353. Working capital position is as follows:

Working Capital

	1933 $	1932 $
Current assets	1,856,392	3,290,305
Current liabilities	913,180	1,736,429
Working capital	943,212	1,553,876
Ratio	2.03—1	1.89—1

Fixed assets of the company are only slightly higher at $40,416,850 while depreciation and depletion reserve has been increased to $5,187,139 from $4,177,837. Reserve for foreign exchange, shown at $129,623 in 1932, no longer appears. There remains outstanding $12,000,000 of first mortgage bonds; $8,900,000 of first preferred stock and $5,000,100 of second preferred stock. The 200,000 shares of no par value common stock are carried at $200,000. Capital surplus is down to $10,217,729 from $10,500,000 and operating surplus to $4,718 from $206,121.

Note: See page 2 for information as to how a complete analysis of this company can be obtained.

CANADIAN WHEAT PRICED TOO HIGH EXPORTS SUFFER

Importers Continue to Buy from Hand to Mouth

From Our Own Correspondent

WINNIPEG.—While there was an encouraging increase last week in the quantity of Canadian wheat and flour exported, practically four million bushels, this appears to have been the result of business closed on several days during recent weeks when sudden drops in the Canadian price brought our market momentarily into line with Liverpool. For the most of time our market continues out of line, and the extent of export business done remains small.

Liverpool prices declined somewhat at the beginning of the week under the influence of offers of wheat from Russia, France and Germany. While no business of magnitude is likely to be transacted with these countries such offerings have an effect while the outcome of the new harvest is being awaited. The report of the International Institute at Rome predicting a larger total European crop, ex-Russia, than harvested last year had a bearish effect.

Harvest Discounted

For the present, markets abroad have ceased to pay much attention to harvest results in North America, which have previously been discounted in the market, and are inclined rather to consider actual importing requirements during the next few months. The stress that is laid on comments there on the European outcome, and the existence of a fair quantity of Australian wheat available for export during the balance of the season suggests an inclination to continue hand to mouth importing as long as possible.

Until more is known as to the probable out-turn of Southern Hemisphere crops, it is possible that independence of North America is being exaggerated, and that when outcome of rye and potato crops is fully known some greater requirements for import will be disclosed, but at all events buyers are not yet ready to admit that they have been wrong in failing to follow advances in the Canadian market.

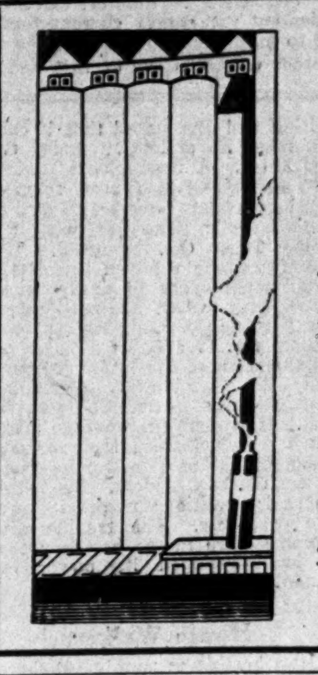
Russian Situation

The Russian situation is still very doubtful, some offerings of Russian wheat have been made, but no very large ones. It would hardly seem worth while for the Russian Government to ship out any wheat unless in the expectation that some fairly substantial shipments could be made, but the outcome of a larger part of Russian crop must still be a matter of doubt. Continental centres still insist that they have little faith in the ability of Russia to spare very much wheat.

Dom. Industrial Alcohol is Passing Off Stage

Dominion Industrial Alcohol, Ltd., is passing off the stage. White, Ruel & Bristol have announced that they intend to apply on behalf of the company to the Secretary of State for Canada for leave to surrender the charter.

This is an old promotion of the late Colonel J. A. Currie and it never really got started. From time to time shareholders still write to The Financial Post for information as to prospects but the latest move apparently indicates that any faint hope they may have had has gone glimmering.



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Bank Chat on Current Topics

Boosting Silver

SILVER is in the limelight since Canada and other nations recently agreed to try to improve the market for the metal by governmental absorption of some of the surplus demonetized stocks of India and Spain. The idea behind the agreement is to create greater demand for silver, particularly for monetary purposes.

One fertile field for silver absorption which does not seem to have been touched by the agreement is the British subsidiary coinage. When the price of silver went to $1.30 an ounce shortly after the war, British silver coins were debased to 500/1,000 fineness instead of their former 925/1,000. This condition still exists. If Great Britain could be persuaded to restore the former fineness to its coins a substantial market for silver would result.

The interests of some of signatory countries to the silver price-raising agreement are clearly indicated in the following production table:

WORLD SILVER PRODUCTION (Millions of Fine Ounces)

	1932	1931
Mexico	71.7	86.1
United States	23.4	30.8
Canada	18.3	20.4
South America	12.4	17.6
Other Countries	34.8	38.9
Total	160.6	193.8

Experts say that they believe the move to raise the price of silver relative to other commodities may reduce the power of the Orient to purchase foreign goods. The popular notion has been that higher silver prices would increase Oriental purchasing power.

Staff Changes

The Dominion Bank announces the following staff changes:

P. C. MARSH, formerly manager at St. Thomas, Ont., branch, has been appointed manager at St. Lawrence Blvd. branch, Montreal, Que., replacing J. B. O'NEILL who has been promoted to head office.

H. G. HENDERSON has been appointed manager at St. Thomas, Ont.

W. O. ARCHDEKIN has been appointed manager at Dundas and Runnymede branch, Toronto.

L .S. NICHOLSON has been appointed manager at Union Stock Yards branch, St. Boniface, Man.

A. C. WILLIAMSON, formerly accountant at Selkirk, Man., branch, has been appointed accountant at Saskatoon, Sask.

I. S. NICOL, formerly accountant at Brandon, Man., has been appointed accountant at Selkirk, Man.

J. B. BROWN, formerly accountant at Fort Frances, Ont., branch, has been appointed accountant at Brandon, Man.

P. M. WILLIAMS has been appointed accountant at Fort Frances, Ont.

The Bank of Montreal announces the following staff changes.

D. M. CARMICHAEL, head office, Montreal, has been appointed assistant manager at Windsor, Ont.

W. M. BANCROFT, for many years manager of Quebec office, has recently retired on pension.

O. MATSON, superintendent's department, Vancouver, has been appointed secretary to the superintendent for British Columbia.

O. G. BIBBS, secretary to the superintendent for British Columbia, has been appointed an assistant inspector.

H. L. M. LEITCH, manager at Aborfield, has been appointed manager at Two Hills.

The Royal Bank announces the following staff changes:

H. W. JUBIEN, manager at North Sydney, N.S., retired on pension on July 31.

G. F. MACNEILL, manager at Quinpool & Oxford branch, Halifax, has been appointed manager at North Sydney, N.S.

L. W. RIPLEY, manager at St. Peter's, N.S., has been appointed manager at Hunter River, P. E. I.

H. V. STABB, Halifax, has been appointed manager at St. Peter's, N.S.

G. V. GUY, assistant manager, Halifax, has been appointed manager at Quinpool & Oxford branch, Halifax.

W. G. Holmes, accountant, Truro, N.S., goes to Halifax as accountant.

D. S. CROSBY, accountant, Halifax, has been appointed assistant manager, Halifax.

S. L. MURRAY, accountant at Amherst, goes to Truro as accountant.

E. A. CAPSTICK, Halifax, has been appointed accountant at Amherst, N.S.

Organize More Seed Clubs

Organization of seed grain clubs in Alberta for 1933 reveals a large increase in the total organized in 1932, or in any year since the work began. 100 seed grain clubs with about 1,400 members compare with 73 clubs and 1,000 members in 1932. Of these there will be 42 wheat clubs with membership of 650, including 11 Reward Wheat and 31 Marquis Wheat clubs. The Oats clubs will total 28 with a membership of 400, while there will be 20 Alfalfa clubs with membership of 200. Barley clubs will total 7, with 100 members and there will be 3 or 4 Corn and Potato clubs with about 50 members.

Current Events in Banking World

FORMER EDITOR GIVES VIEWS ON SILVER COINAGE

Believes Canada Should Not Repeat Experience of United States

Recalling the experience of the United States with silver coinage over the past 45 years, Edwin Mead, former editor of the Commercial West, feels strongly that Canada should not repeat the mistakes of the United States by increasing the supply of silver dollars. Mr. Mead feels that the public prefers paper money to such an extent that the use of silver dollars would be restricted, even if there were considerably more silver coins in circulation.

Mr. Mead's comment on the question of increased silver coinage for Canada is as follows:

Recent reports in the daily press state that it is proposed to enlarge the money supply of Canada, and encourage the silver mining industry by coining silver dollars. It might be well for Canadians to recall the experience of the U. S. before trying out a plan to circulate silver dollars. Some 45 years ago a silver purchase act was passed by Congress, authorizing certain monthly purchases of silver and coinage into dollars. This continued until nearly $400,000,000 had been minted, but very few of these coins could be kept in circulation; people objecting to carry about such bulky and heavy change. On this account it was decided to issue currency, which was known as "silver certificates," against this mass of coins stored in the U. S. treasury. These were mostly $5 bills and continued as part of the currency until the adoption of the Federal Reserve system in 1914, when reserve notes replaced many other sorts of currency. The silver purchase act was repealed under Grover Cleveland's administration in 1893 and coinage of dollars ceased.

Experiment Not a Success

This experiment proved that people preferred paper to the heavy silver dollar for small change. Silver could only be injected into the trade channels in the form of bills which were practically warehouse receipts for silver dollars.

With the later abundant supply of $1 and $5 bills, the former being supplied by the U. S. treasury, silver dollars disappeared and for many years have not been used except in a very small section of the U. S. For the past five years we have toured extensively throughout the U. S. and Canada. It was not until we reached the extreme northern district of California and drove through Western Oregon and the corner of the State of Washington, as far as Tacoma that we had silver dollars again offered us by merchants and hotels in the smaller towns. This was a surprise and a bit of a shock to tourists, who had seen no such coins for many years.

Tourists Protest

We heard many protests from tourists and particularly the women travellers. They resented such treatment and at times in explosive protest and even sarcastic remarks, such as "behind the times," "Rip Van Winkle still asleep," "silver idolaters," etc., all of which would have made the late Mr. Bryan sad and discouraged. He had the audacity to stand for the presidency in 1896, on a "free silver" platform, that was, "free and unlimited coinage of silver, at a 16 to 1 ratio with gold." And this unlimited coinage of silver was seriously offered the people, as a party platform to restore prosperity, right on the heels of the utter failure of limited coinage. It was the menace of such silver injection into the money supply that threatened to push the country off the gold standard. and that forced its repeal under Grover Cleveland's leadership.

Canada surely would not repeat the mistakes of the U. S. in such monetary matters, not at this late day when the science of money and currency is so far advanced over 40 years ago.

Another reason why Canada cannot afford to clutter up its money supply with silver dollars, is the value of its tourist trade. Before the present hard times cut down the volume of tourist business everywhere, Canada was receiving around $300,000,000 a year from tourists; largely motorists from the eastern and mid-west sections, where silver dollars disappeared from circulation many years ago. Canada would quickly discover that silver dollar change would be about as unpopular with U. S. tourists, as Ontario's charge $2 for a permit to buy liquor, at three times its former price.

Double Liability Feature Is Held to be Unnecessary

Market for Bank Stocks Restricted Because of Liability Clause—Does Not Offer Creditors Much Added Protection — Net Collections of Double Liability Are Low

By J. R. STEWART

With the appointment of Lord Macmillan to the chairmanship of the Royal Commission on Canadian Banking, the Bank Act of Canada is now subject to keenest examination. Among the host of incidental matters that will come before the commission is the possibility of change of the double liability clause in the Bank Act. More than 30,000 bank shareholders most of whom are Canadians are affected by double liability. To this vast body of shareholders and to thousands more who, but for double liability, would be holders of Canadian bank stocks, the question as to whether double liability any longer serves a useful purpose and whether on other grounds it is just or desirable is important.

The purpose of double liability as expressed in the Bank Act is to afford additional protection against loss to note holders, depositors and other creditors of the bank. "In the event of the property and assets of the bank," says the Act, "being insufficient to pay its debts and liabilities, each shareholder of the bank is held liable for the deficiency to an amount equal to the par value of the shares held by them." To what extent does double liability achieve its purpose?

Try to Avoid Liability

Recently during the banking crisis in Michigan, the efforts of bank shareholders to side-step their liability by transferring their shares to someone else led to the prohibition of trading in bank shares altogether. At the first symptom of trouble, any shareholder could frustrate the purpose of double liability by transferring his or her shares to a straw man. It is revealing to see on the registers of bank shareholders in Canada even now, how many unpropertied wives are the registered holders of bank shares which their propertied husbands for some reason have not chosen to hold in their own names. Thus the purpose of double liability can be readily frustrated through the transferability of the shares.

Furthermore, even when the shareholder is caught, it has been found in recent bank failures in the United States that a net amount of only about 9 per cent of double liability comes into the hands of the liquidators to repay depositors. The costs of liquidation and the legal charges for collection eat up most of what the liquidators receive. While the figures for early bank failures in Canada show a substantial percentage of collections. The figures for the United States given above, as worked out in a recent number of the Harvard Business Review, may be taken as more typical of the results to be expected under Canada. The list of Canadian collections is given below:

Defunct Bank:	Subscribed Capital	Collected From Double Liability
Banque de St. Jean ..	$ 500,000	$ 161,000
Banque de St. H'cinthe	504,000	156,000
Farmers Bank	584,000	314,000 (to 1924)
Bank of Vancouver ...	587,000	149,000 (to 1923)
The Ontario Bank ...	1,500,000	1,202,510
Bank of Yarmouth ...	300,000	264,667

Until the figures of more recent bank failures in Canada are made public, the effectiveness of double liability under conditions of today remain obscure. At the present time the protection afforded to depositor by double liability must be considered unreliable. And when it is remembered that the financial structure of any bank is like an inverted pyramid with an apex of paid up capital supporting 15 to 20 times as much deposits, it is apparent that the double liability prop is not only unreliable, but hopelessly slender as well.

Note Holders Secured

Even if double liability could be depended on, the need for it has been eliminated as regards note holders by the bank circulation redemption fund. To this fund, all banks contribute 5 per cent of their average circulation for the purpose of redeeming the bank notes of any insolvent bank. As regards depositors, the need for double liability has been removed by the presence of larger reserves equal to, or greater than, the paid-up capital of the bank. These reserves which have been built up partly through the premiums on the sale of new issues of capital stock at double the par value serve the same protection purpose as double liability, and in every case are the equivalent of double liability or greater.

As a matter of simple justice, why should bank shareholders be singled out to bear the burden of double liability? Alone of all classes of investors they share the liability of their company in the event of loss. If bank shareholders exercised any real and compelling authority over the business of the bank, additional liability might be justified. But to adapt J. M. Keyne's description of English banking in his essay on laissez faire, "It is almost true to say that there is no class of persons in the Dominion of whom the general manager thinks less when he decided on his policy than of his shareholders. Their rights in excess of their conventional dividend have already sunk to the neighborhood of zero." This quasi-public character of Canadian banks was admitted by the president and general manager of the Canadian Bank of Commerce in their addreses at the annual meeting of that bank. According to the testimony of the late C. E. Neil before the select committee on banking and commerce in 1924, the banks themselves would favor the abolition of double liability as a means of facilitating the sale of their stock.

Finally, from the standpoint of the public interest is double liability desirable? It has been seen that the protection of depositors, which admittedly in the public interest is not greatly furthered by double liability as against questionable benefit, there stands the certainty that double liability, apart from exacting a nervous toll from those already on the register, frightens countless others from purchasing bank stocks. In consequence the price of these prime securities remains abnormally low. Were double liability abolished the price of bank shares would rise to a point where their present yields would probably be cut in half. As Lord Macmillan's commission will doubtless be at pains to point out, the lowering of long term yields on prime securities is an essential step in any state policy designed to stimulate new enterprise and restore prosperity. It follows therefore, that, through the lowering of yields on bank stock, the eradication of double liability from the Bank Act would exert a beneficent influence for the public weal.

General Manager

H. A. STEVENSON

Recently appointed general manager of Barclays Bank (Canada), has had a broad banking experience in many countries.

H. A. Stevenson New Manager Barclays Bank

Harold A. Stevenson, recently appointed general manager of Barclays Bank (Canada) has crowded a broad banking experience into the 42 years since he was born in London, Eng., in 1891. Starting with the Comptoir National d'Escompte de Paris, London, in 1908, he went to the Banco Espanol del Rio de la Plata, London, in 1913, but spent the succeeding four years in military service with the Honourable Artillery Company in the Near East.

After the war, Mr.. Stevenson joined the London branch of the Guarantee Trust Co., of New York, as exchange trader and two years later took the post of exchange manager of the London & Brazilian Bank Ltd., Paris. In 1923 he assumed the exchange management of the Buenos Aires, Argentine, branch of the same bank. In 1927 he became associated with Barclays Bank as its representative in South America, from which post he recently came to Montreal to take over his new duties. He is a brother of Walter O. Stevenson, foreign general manager of Barclays Bank Ltd., in London.

Foreign Exchange

IT IS expected that the pound sterling may weaken in the United States because of seasonal influences and because of slackening of the rise of prices on this continent. This appears to be the informed American opinion. In Canada the new loan in London may cause weakness of sterling. But apart from this, opinion seems to feel that sterling may decline in Canada. This is based on a belief that the British Government may act to cheapen the pound.

Opinion as to the future course of the Canadian dollar against the United States unit is lacking. Observers hesitate even to guess. If the experience of recent months can be taken as a guide, and if sterling declines in the United States, it would seem probable that the Canadian dollar may also weaken. That is, it may decline in terms of the United States dollar but rise in terms of sterling, continuing its intermediate trend between the two major influences.

* * *

A GREAT deal depends on the action of the Roosevelt administration on prices. Governor Montagu Norman, of the Bank of England, is reported on his way to Canada and the United States. This is seen as a trip to talk currency stabilization. But Washington may not be through with price-raising, the real inflationary powers of the U. S. Government having hardly been used.

FOREIGN EXCHANGE
New York Funds

	High (Premium) %	Low (Premium) %	Last Year High (Premium) %	Last Year Low (Premium) %
Aug. 1	8 5-8	8	.....	.....
Aug. 2	7 3-4	6 1-8	15	14 3-4
Aug. 3	6 3-8	5 1-2	15 1-8	14 7-8
Aug. 4	7	6 5-8	14 15-16	14 3-4
Aug. 5	....	....	14 3-4	14 5-8
Aug. 7	6 7-8	6 5-8	14 5-8	14 7-16

STERLING, FRANCS AND LIRE
Close: Demand in New York

	Sterling	Francs	Lire
Gold par	$4.866	$0.03918	$0.526
Aug. 1	4.42	.0521	.0703
Aug. 2	4.46 1-2	.0527	.0706
Aug. 3	4.52 3-8	.0535 3-4	.0716 3-4
Aug. 4	4.49	.0531	.0713
Aug. 5	4.50	.0533	.0714
Aug. 7	4.48 3-4	.0532	.0713

Close: Demand in Toronto

	Sterling	Francs	Lire
Gold par	$4.866	$0.3918	$0.0526
Aug. 1	4.79	0.0564	0.0760
Aug. 2	4.81	0.0569	0.0761
Aug. 3	4.82	0.0570 1-2	0.0763
Aug. 4	4.82	0.0572	0.0762
Aug. 5	4.82	0.0572	0.0762
Aug. 7	4.79 1-2	0.0569	0.0762

	Reichsmarks	Belga	Yen
Gold par	$0.238	$0.139	$0.498
Aug. 1	0.3400	0.2016	0.3004
Aug. 2	0.3469	0.2018	0.2921
Aug. 3	0.3478	0.2037	0.2899
Aug. 4	0.3484	0.2030	0.2992 1-2
Aug. 5	0.3484	0.2030	0.2992 1-2
Aug. 7	0.3469	0.2017	0.2985

Weekly Bank Clearings

	Aug. 3 1933 $	Change year ago %	July 27 1933 $
Halifax	2,107,312	+1.1	1,830,010
Saint John	1,659,369	—8.3	1,481,550
Moncton	551,776	—10.5	864,458
Sherbrooke	555,318	+54.6	606,750
Quebec	4,198,125	—11.8	3,745,421
Montreal	98,411,603	+18.5	104,612,371
Ottawa	3,718,092	—2.7	3,815,225
Kingston	552,361	—5.5	557,359
Peterborough	559,123	—5.0	607,098
Toronto	122,293,695	+69.2	131,208,217
Hamilton	3,793,228	+8.5	3,784,429
Kitchener	861,000	—27.8	899,974
Brantford	742,371	—4.4	754,386
London	2,276,806	—0.6	2,304,140
Chatham	484,044	+96.7	481,075
Windsor	2,431,991	+2.3	2,897,360
Sarnia	363,542	+1.7	454,527
Sudbury	560,579	+56.1	621,680
Ft. William	680,328	+18.0	522,024
Winnipeg	153,815,611	+221.7	151,304,682
Brandon	331,341	—14.9	296,933
Regina	5,583,998	+24.3	2,409,744
Moose Jaw	872,980	+77.7	418,169
Saskatoon	......		1,059,474
Pr. Albert	284,770	+2.3	228,428
Edmonton	3,224,325	—16.0	3,051,984
Calgary	6,023,874	+31.7	6,546,621
Medicine Hat	198,482	+12.8	195,869
Lethbridge	309,630	—15.7	337,672
N. W'minster	561,171	+32.5	444,410
Vancouver	15,901,718	+14.5	16,332,338
Victoria	1,647,137	+9.2	1,473,517

Insurance News

Need Fund to Purchase Deceased Partner's Shares

Difficult Problems Arise When Partner of Close Corporation Dies and No Arrangement Has Been Made to Purchase His Interest

By R. M. HAULTAIN, London Life Insurance Co.

George and Dick are brothers. They manage the family business. The other brother, Bill, was killed last spring in a motor accident.

And thereby hangs the tale of a tragic error in the set-up of their plan to purchase one another's interest at death.

Some fifty years ago their father started the business in a small way. Later he incorporated, and each of the three brothers inherited a one-third share. The business today has a net worth of about $200,000.

In 1922, a life insurance man who knew his business, asked George if he and his brothers had a formal agreement, adequately financed, stating that on the death of any one the other two would immediately buy his stock from his wife, paying her cash, so that she could be put into trustee securities, and not be dependent on the business.

Need Expert Advice

This life insurance man pointed out that it would be very desirable for the surviving brothers to have a free hand in the conduct of the business, unhampered by any executors. He also outlined what a drag on a busienss the widow and children of a deceased partner usually are if their interest is left in it, and how the working partners are often influenced to pay dividends on compassionate grounds when it is not in the interests of the business to do so. Also, if they increase their own salaries how they are open to criticism for milking the business at the expense of the silent interest.

George said that they had intended to get round to that question for some time, but that it had not been arranged as it looked like a proposition demanding a lot of thought and discussion as to just how it should be handled in the best interests of all.

This life insurance man who knew his business suggested that a professional be appointed to demonstrate the best arrangement expeditiously. He said that the cumulative experience of many life underwriters in diagnosing thousands of cases was available to them: that that experience could be condensed into a properly drawn agreement financed by life insurance and that if he were favored with the appointment to handle the case he would need just one hour of their time to explain the arrangement thoroughly after the degree of insurability of each brother had been established, and he and the lawyer he always worked with had put the proposed agreement into documentary form.

Thoughtless Decisions

George agreed that undoubtedly that was the businesslike way of handling the question and he mentioned it to his brothers.

Now it happened that Bill had a brother-in-law who had recently taken up life insurance as a sideline to his own business. Bill held out for placing this business with him on the grounds that it should be kept inside the family, and would be a help to his brother-in-law. This seemed reasonable, the other brothers agreed, and the life insurance man who knew his business was informed that his services were not required as the business was to be placed with the brother-in-law.

Bill telephoned his brother-in-law and said: "Good news for you, old man, you can come down here and write us up for $50,000 each."

The brother-in-law got some life insurance application forms, telephoned the doctor, and made out the applications. All three brothers passed the medical examination, the life insurance was put in force, and the policies put in the case.

Each brother then felt in a position to tell every life insurance man who proposed a discussion on business insurance that they already had it, and were not open to discuss the question.

Equities Built Up

Then the depression came along, profits disappeared, the brothers took off their coats, cut down their golf, and got to work in earnest. The three policies of $50,000 each had built up substantial reserves and carried themselves through the depression without the necessity of premium payments, In addition, the firm was able to borrow some badly needed cash on them.

Then Bill's old tire blew out on a business trip causing a head-on collision, his death and a lawsuit by the executors of the man in the other car.

The policy on Bill's life was cashed, the cheque arriving from the life insurance company, but payable to the firm. The company had no alternative but to pay the money to the beneficiary named on the application form. The natural presumption was that the policy was meant for shock insurance rather than for stock purchase insurance. The treasurer was glad to get the money, deposited it as a matter of course in the firm's current account, and cleared up some drafts. It also enabled the firm to get the sales manager they wanted to replace Bill. As shock insurance it functioned admirably. The treasurer paid most of it out in a few days.

The estates officer of the trust company, acting in his capacity as Bill's executor, was the first to realize that their business insurance was not stock purchase insurance at all, and that it would be impossible to effect the stock transfers unless the brothers could raise the cash themselves to buy the stock from Bill's estate. George and Dick are both short of cash this year. The trust company were not notified that they had been appointed as Bill's executors until after his death.

The firm is paying no dividends. Bill had always relied on the combination of his business interest and the stock purchase insurance to provide his wife and family with an income, so had not thought it necessary to create any estate apart from that. Today there is not even money enough on hand to pay his succession duties, which were unnecessarily enhanced by the way the application for the policy was written.

His wife is reduced to borrowing a little each week from his two brothers to pay the butcher and the grocer. She is trying to get work. George and Dick will help her somehow, but they do not see just how as yet. Bill's executors have nothing to work with but a tightly frozen business interest and an equity in his mortgaged house. Bill had always thought he was worth about $70,000, of which $50,000 was liquid.

Tyro Bungles

All because the brother-in-law had been dragged into a phase of the life insurance business about which he knew very little, and had appointed the firm as beneficiary in the policy applications.

This would have been a much more cheerful tale if the life insurannce man who knew his business had been appointed to handle the case. The agreement and the issue of the policies would have been properly planned, each to dovetail the other.

Each brother's estate would have been named as the beneficiary in his own policy, and the proper assignments made to the trustees who were to value the business interest of the deceased under the agreement, and effect the stock transfers. Or the policies could have been payable to the surviving brothers direct, and the proceeds used to buy Bill's stock from his estate. Either method would have avoided the enhancement of succession duties caused by increasing the value of the business at Bill's death, which actually did happen due to the mistake made by the brother-in-law.

The trust company would have had ample cash available to meet Bill's estate obligations, put the balance into revenue producing securities, carry out the terms of his will, and pay his wife her income. As matters stand today the poor woman is caught in a frozen situation that can be thawed out only when the firm resumes dividends, or by the sale of her interest to some outside buyer, if one can be found for a minority interest.

Blames the Executors

There must be a conspiracy against her. There is $70,000 somewhere. Why can she not get even $100 of it to feed the children? She feels like carrying a placard on the streets belaboring the trust company. Being the executors they are the logical ones to blame!

George and Dick would have had the definite number of years agreed upon to complete the purchase of the balance of Bill's interest not covered by his policy, on the basis of the valuation at the time of his death. All concerned would have known just where they stood under the terms of the agreement that was never drawn.

The brother-in-law never had the time to spare from his own business to get down to a study of the relationship of life insurance to the human element in business, so never discovered his errors and omissions. His sister and her children are paying today for his temporary venture into fields other than his own. Fortunately, she does not know where to place the blame for her predicament. Neither does he. All she is sure of is that the fault was not Bill's. He was a good husband and father.

George and Dick have decided that in future they will keep in closer touch with their solicitor and their auditor, and have annual overhauls of all agreements and assets likely to be affected by changing conditions.

LITTLE ACTIVITY IN GROUP CASES SEEN IN CANADA

Experience of U. S. Companies Not Duplicated Here

Although United States companies are already reporting large increases in the amounts of group insurance being written, the upward trend has hardly yet become evident in Canada, The Financial Post learns. With the improvement in business, however, more attention is being paid to this type of business and some canvasses have been made.

From the companies' point of view—that is, the companies which would insure their staffs — there are one or two hindrances to adopting any plan at the present time. First of all, there is the experience of the past three years during which many companies were forced to cancel their group insurance as they found it too great a strain on their resources and this has made them rather wary of restarting the scheme. Again, more and more the idea of a plan under which the employee pays a portion, usually a half, of the premium, is being favored.

Employees Not Favorable

This payment of half the premium brings in the employee element. With many manufacturing concerns still on short time and employees' cash reserves generally wiped out after two years of wage cuts and unemployment, most employees are more concerned at the present time in building up a reserve again and buying articles which they have been forced to do without, than in subscribing for insurance, however small the amount.

While it cannot be suggested that agents do not wish to write group business, an insurance agent told The Financial Post that the return for group insurance written was hardly worth the effort it took. In a group case, this agent explained, there are usually two or three competing companies and therefore, as can be expected, a considerable amount of effort is often wasted. Even when the business is written, the agent's commission is spread over 12 months and is considerably smaller than in the case of ordinary life. In very large group cases, of course, the position is different but this is the feeling as far as 100 lives or so are concerned.

Licenses Issued

General Insurance Co. of America has been issued a certificate of registry authorizing it to transact, in Canada, explosion insurance, in addition to the classes for which it is already registered.

Indemnity Mutual Marine Assurance Co., Ltd., London, has been issued a certificate of registry authorizing it to transact in Canada the business of fire insurance and personal property insurance. E. W. Schauffler, Toronto, has been appointed the company's Canadian chief agent.

Additional Insurance News on page 13

How Will You Pay?

It is for you to choose how you will meet your obligations when earned income has ceased.

For you *must* meet them!

Shall you still have an income—one for which you have made provision in the easy Sun Life way during your earning years—an income which will give you independence and comfort as long as you live?

Or shall you pay in humiliation and dependence?

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HEAD OFFICE-MONTREAL

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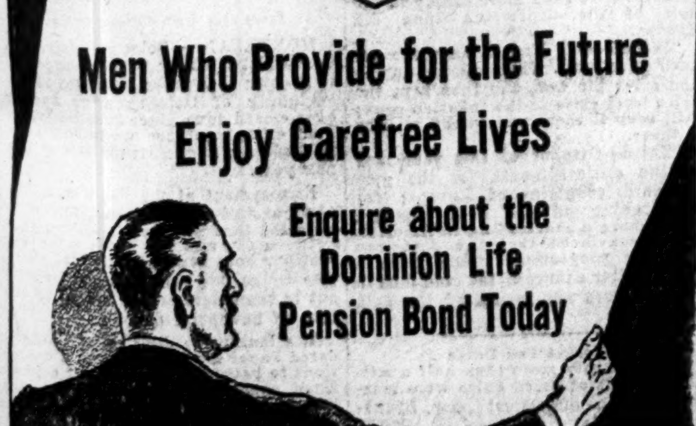

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I am interested in the Security you offer. Without obligation send particulars.
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Address ....

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LABRADOR BILL CONFIRMS GRANT MINING RIGHTS

Exclusive Concessions to Prospectors in Labrador Approved

Recently a bill to ratify the agreement entered into between the Government of Newfoundland and certain private groups passed both branches of the Legislature with certain minor amendments by the Legislative Council. Thus, official approval is given to exclusive prospecting rights for a period of three years covering 24 mining concessions granted in Southwestern Labrador.

The terms of the act are substantially as follows:

Labrador Concession Terms

(1) The Licensee shall for a period of three years from the date hereof have the exclusive right to state, apply for and obtain in accordance with the provisions of the Crown Lands Act 1930 mining claims within all that piece or parcel of land situated in Labrador and described for purposes and containing not more than one hundred square miles.

(2) The Licensee upon compliance with and subject to the terms and provisions of the Crown Lands Act 1930 shall be entitled to have licensed to him such reasonable water power as may be necessary for the development of his mineral enterprise within the area hereinbefore described.

(3) During the period of this agreement the Licensee shall have the right to cut upon the area hereinbefore described such timber as may be necessary for building and mining purposes and for no other purpose without the payment of any rent or royalty therefor.

(4) The Government hereby grants to the Licensee during the period of this agreement, but only for the purposes of the prospecting and exploring of the said area, the right to import free of duty and other import taxes (a) all necessary equipment and material for prospecting and exploring for minerals, and (b) such provisions as are required for the prospecting and exploring parties.

(5) The Licensee shall pay to the Government upon the execution of this agreement the sum of one thousand dollars and shall pay a similar sum on the 20th day of April, 1934, and on the 20th day of April, 1935.

(6) The Licensee shall during the period of this agreement spend in prospecting and exploring as aforesaid upon the lands hereinbefore described a sum of not less than $15,000, whereof $5,000 shall be expended within one year, a further $5,000 within two years and a further $5,000 within three years of the date hereof.

(7) The Licensee shall on or before the first of January, 1934, and anually thereafter make to the Minister of Lands and Fisheries a complete report of all work done in prospecting, exploring and mining upon the area hereinbefore described and shall furnish therewith copies of all surveys, assays and other information which the Licensee gains in the course of his work, together with a list of all equipment, material and provisions imported into the Labrador for the said purpose, with the value thereof, and supporting vouchers for such value, and a statement of the expenditures made under paragraph 6 hereof; provided that nothing in this paragraph shall excuse the Licensee from complying with all the requirements of the Customs and Revenue Acts and all other Acts, Rules and Regulations applicable to the importation of goods into this Dominion.

(8) In substitution for the royalties provided in Section 111 of the Crown Lands Act, 1930, the Licensee shall pay to the Minister of Lands and Fisheries at the times, and in the manner, and (in the case of royalties on profits) calculated by the same method as is provided in the said Section, and during the entire period of his tenure of any mining rights acquired under this agreement or acquired at any time under the ordinary provisions of the Crown Lands Act 1930 within the area hereinbefore described, the following royalties:

Coal—12½ cents per ton.

Copper—Four cents for every unit, that is, upon every one per cent of copper contained in each ton of copper ore sold or smelted.

Lead — Two cents upon every unit, that is, upon every one per cent of lead contained in each ton of lead ore sold or smelted.

Zinc—Two cents upon every unit, that is upon every one per cent of zinc contained in each ton of zinc ore sold or smelted.

Iron—Five cents on every ton of ore sold or smelted.

Other Metals and Minerals—

(a) On the annual profits in excess of $10,000 up to $5,000,000 .... 5 per cent

(b) On the annual profits in excess of $5,000,000 up to $10,000,000 .... 6 per cent

(c) On the annual profits in excess of $10,000,000, 7 per cent and so on, with an increase of 1 per cent upon each additional $5,000,000 or part thereof.

(9) The Licensee shall during the period of this agreement at any reasonable time and from time to time permit any person nominated by the Minister of Lands and Fisheries or by the Government to inspect all the work done by the Licensee and shall upon demand provide transportation at the cost and expense of the Licensee for the said person from St. John's to the site or sites of the Licensee's operations by the methods of transport used by the Licensee for his own engineers or managers.

(10) This agreement shall be deemed to have been broken by the Licensee (a) if the Licensee shall have failed to commence actual prospecting and exploring in the area hereinbefore described before the 31st day of December, 1933, or (b) if the Licensee shall fail to pay either of the sums set forth in paragraph five hereof, or (c) by substantial failure on the part of the Licensee in complying with the terms of paragraph 7; and upon breach of the agreement the same shall be deemed to have been terminated without notice being necessary on the part of the Government and without any legal proceedings being commenced. No express or implied waiver by the Government of any of the terms of this agreement shall be deemed to have effect as a continuing waiver or held to prejudice any right or remedy of the Government.

(12) Nothing in this agreement shall be held to prevent or alter the application of the Crown Lands Act 1930 or of any part whatsoever of the Statute or Common Law of the Dominion save as herein provided expressly and not by implication.

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The Financial Post

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In this Directory the directors of Canadian public companies are listed, with their name, initials, business address, home address in most cases, and a list of the companies with which each is associated. Officials, such as vice-presidents, general managers, secretary-treasurers, who are not sitting on the board of directors, are also listed with their name, initials, position occupied and business address. The type is large and the names are self-indexed alphabetically. This Directory, the only one of its kind in Canada, provides a valuable service to anyone wishing the names, addresses and business connections of business, industrial and financial leaders throughout the Dominion. These men have great influence and control the buying power of their companies.

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WEEK'S CANADIAN STOCK AND BOND QUOTATIONS

Montreal, Toronto and Curb Markets

WEEK ENDING AUGUST 7

Range 1933 High	Low	Divd. Rate in $	Yield in % Aug. 5		Sales	Close July 31 (or—last)	Week Ending Aug. 7— High	Low	Close
				A					
4	⅛	.	...	Abitibi	5775	2	2½	2	2
10	1	.	...	Do. pref. 6%	125	6	6½	5½	5½
x80	80	7	...	Acme F. D'y p	....	..	..	..	..
8	4	.	...	Agnew Surp.	105	8	7½	7½	7½
65	57½	7	10.8	Do. pref.	35	57½	65	65	65
10	3½	.	...	Alta. Pac. Gr.	51	7	8	6½	6½
40	20	.	...	Do. pref.	55	36	37	36	36
x3½	1½	.	...	Amal. Electric	....	..	..	..	..
10	3	.	...	Do. pref.	10	9	10	10	10
†3½	3½	.	...	Anglo. N. Hold.	....	..	..	..	..
.60	.15	.	...	Asbestos	....	.60	..	..	..
.75	.50	.	...	Do. pref.	....	.75	..	..	..
15	3½	.	...	Assoc. Brew.	329	14	14½	13½	14
77½	65	7	9	Do. pref.	....	77½	..	..	..
x3	3	.	...	Assoc. Can.	....	..	..	..	..
†60	65	.	...	Assoc. Tele.	....	..	..	..	..
				B					
155	127	10	6.4	Bk. Can. Nat.	14	148	155	155	155
221	150	8	3.9	Bk. Montreal	86	210	206	200	202
280	228	12	4.3	Bk. N. Scotia	35	275	278	275	276
215	199	10	4.9	Bk. Toronto	57	205	205	200	205
17	10	.	...	Barcelona	....	17	..	..	..
8	1	.	...	Bathurst Pr.	540	6	6	5	5
2.00	1.00	.	...	Do. (B)	150	1.80	1.80	1.75	1.75
†26	26	.	...	Bawlf Grain	....	..	..	..	..
20	6	.	...	Do. pref.	20	12	8½	8½	8½
7	3	.	...	Beath & Sons	....	5½	..	..	..
15	3½	.	...	Beatty Bros. A.	25	13	10	10	10
70	53	6	8.6	Do. pref.	28	70	70	68	70
8½	5½	.	...	Beauharnois	3429	6½	6½	5½	5½
80	50	4	8	Belding Cort.	....	50	..	..	..
89	85½	7	8.2	Do. pref.	....	85½	..	..	..
120½	80	6	5.3	Bell Telephone	450	112	113½	110	110½
7	3½	.	...	Biltmore Hats.	....	7	..	..	..
75	62	7	9.3	Do. pref.	10	75	75	75	75
4	2½	.	...	Bissell, T. E.	....	4	..	..	..
†97	88	.	...	Do. pref.	....	..	..	..	..
6	1	.	...	Blue Ribbon	....	4½	..	..	..
22	10	2	9.8	Do. pref.	50	20½	20½	20½	20½
22	18½	2	9.1	Brant. Cd. pf.	3	21	22	22	22
19	7	.	...	Brazilian Tr.	14999	14½	14¾	14	14
3.85	.55	.	...	Brew. & Distil.	21175	2.25	2.75	2.30	2.45
12	½	.	...	Brewing Corp.	1712	4½	6	4½	5
19	¾	.	...	Do. pref.	477	11	13	11	12
16	7½	80c	5.8	Brit. Amer. Oil	4325	13½	13⅞	13½	13⅝
8	1	.	...	B. C. Packers.	5911	5½	6	4¾	5
20	6	.	...	Do. pref.	195	18½	18½	17	17
28	14	2	7.6	B.C. Power (A)	402	25½	26½	25½	26½
6¾	3	.	...	Do. (B)	1078	5	6½	5½	6
18¾	3	.	...	Bruck S. Mills	265	15	15½	15	15
21	10½	1	6.2	Building Prod.	20	17	16½	16	16
38½	30	2	5.9	Burt, F. N.	45	34	34	33⅞	34
				C					
x125	120	6	...	Calgary Pr.	....	..	..	..	..
9½	1½	.	...	Canada Bread	515	6½	7½	6	6½
75	40	3	4.6	Do. pref. A.	5	65	65	65	65
31	8	.	...	Do. pref. B.	20	30	28	28	28
18	5½	60c	5	Canada Bud	3605	11	12½	10½	11⅞
10⅞	2½	.	...	Canada Cement	1545	8½	8¾	8	8¼
45½	12	.	...	Do. pref.	389	40	40½	39½	39½
b41½	7½	1	3.4	Canada Dry	24056	26½	31	26	29½
8	2	.	...	Can. Forg. (A)	....	8	..	..	..
x7½	2	.	...	Do. (B)	....	..	..	..	..
x15	15	.	...	Canada Iron	....	..	..	..	..
†80	75	3	...	Do. pref.	....	..	..	..	..
*425	405	20	4.9	Canada Life	....	405	..	..	..
40	13½	1.50	4.8	Can. Malting	2515	29	33	30	31
17¾	12	80c	5.1	Can. Nor. Pr.	80	16	16	15½	15½
90	65	7	7.9	Do. pref.	19	90	88	85	86
.25	.05	.	...	Can. Paving	....	.10	..	..	..
10	4	.	...	Do. pref.	....	5½	..	..	..
165	120	10	6.2	Can. Perman.	17	159	160	160	160
3½	1½	.	...	Can. Steamsh'p	100	2½	2¾	2¾	2¾
9½	2	.	...	Do. pref.	75	6	5	5	5
26	13½	1.60	7	Can. Vinegars.	265	22½	22¾	22	22¾
80	26	.	...	Can. W. Cable.	28	29	30	29½	30
15	7	.	...	Do. (B)	....	12½	..	..	..
2	2	.	...	Can. Bakeries	....	2	..	..	..
5	5	.	...	Do. pref.	....	5	..	..	..
176	119	8	5	Can. Bk. Com.	118	155	160	155	158
25	9	60c	3	Can. Bronze	75	19	20	20	20
96½	70	7	7.3	Do. pref.	....	96½	..	..	..
10¾	2½	.	...	Can. Canners	20	9	9	9	9
80	48	6	7.6	Do. 1st pfd.	77	79¾	80	78	79
14	3⅞	20c	1.7	Do. 2nd pfd.	185	11¾	12	11½	12
11½	2	.	...	Can. Car & F'y	760	8½	9¾	9	9
19½	9½	1.75	10.1	Do. pref.	428	17¾	17½	17	17½
28	6½	.	...	Can. Celanese	315	20	20	19	20
107	70	7	6.9	Do. pref.	45	100	102	100	100
35	8	2	5.7	Can. Convert.	....	35	..	..	..
35	15	.	...	Can. Cottons	....	35	..	..	..
75	45	6	8	Do. pref.	25	60	75	75	75
22½	10	1	...	Can. Dredge	110	18	19	18½	18½
†92	92	7	...	Do. pref.	....	..	..	..	..
79	79	6	7.6	Can. Fairb. pf.	....	79	..	..	..
9½	2	25c	..	Can. For. Inv.	510	8½	8½	7	7
80	35	8	10	Do. pref.	....	80	..	..	..
130	120	3	2.3	Can. Gen. Elec.	....	130	..	..	..
60	50	3.50	6.1	Do. pref.	89	59¾	60	57	57
6½	4	.	...	Can. G. Inv. T.	....	6½	..	..	..
65	34	6	9.8	Can. Hyd. El. p	120	63	62	60	60
40	1½	.	...	Can. Ind. Alc.	36252	17	20	16½	18
39	.90	.	...	Do. (B)	3640	16	18¾	15	16½
101½	75½	3.50	3.4	Can. Industries	....	101½	..	..	..
125	125	7	5.6	Do. pref.	....	125	..	..	..
†5.00	3.95	.	...	Can. Int. I. Tr.	....	..	..	..	..
†70	64½	.	...	Do. pref.	....	..	..	..	..
21	21	1	4.8	Can. Lt. & Pr.	....	21	..	..	..
b3½	1⅛	.	...	Can. Marconi	9631	2⅝	3	2½	2⅝
20	6	50c	3.6	Canadian Oil	85	14½	14	14	14
97	79	8	8.5	Do. pref.	30	95	94	94	94
21⅛	9	.	...	Can. Pacific	4306	16½	17¾	16½	17
3	1	.	...	Can. Vickers	10	2½	2½	2½	2½
7½	5	.	...	Do. pref.	....	7½	..	..	..
49	46	2	4.1	C. West'ghouse	....	49	..	..	..
9½	1½	20c	3.2	Can. Wineries.	460	5	6½	6¼	6¼
9¼	3	.	...	Can. Wire Box	85	9	9¼	9	9¼
9½	5½	.	...	Catelli Mac.(A)	....	9½	..	..	..
2	1	.	...	Do. (B)	....	1¾	..	..	..
245	245	8	...	Cent. Can. L'n	....	245	..	..	..
2.35	.50	.	...	Chem. Research	2370	1.26	1.34	1.21	1.25
1.60	.20	.	...	Claude Neon	4.60	.90	1.00	.70	1.00
15½	3	.	...	Cockshutt Plow	675	10	10½	9½	10½
9	3	.	...	Comm. Alcohol	....	7	..	..	..
5	1	.	...	Conduits	....	5	..	..	..
†94	84	.	...	Do. pref.	....	..	..	..	..
16½	2	.	...	Cons. Bakeries.	820	13½	14	13	13
5	¼	.	...	Cons. Indust.	75	2	2½	2	2½
6⅞	1¾	.	...	Cons. Paper	1013	3¾	4	3¾	3¾
12	3	.	...	Cons. Press	....	10	..	..	..
x35	30	.	...	Cons. Sand. p.	....	..	..	..	..
142	54	10%▲	..	Cons. Smelters	1788	121⅞	133	121	126
190	170	10	5.3	Consumers' Gas	222	189	188	186½	187½
‡35	30	.	...	Cooksville Co.	....	..	..	..	..
‡85	85	.	...	Do. pref.	....	..	..	..	..
†20½	15	.	...	Corpor. Steel	....	..	..	..	..
‡90	90	.	...	Corr. P. Box p.	....	..	..	..	..
8	1½	.	...	Cosgrave Brew.	550	5½	6	5	6
10	2	.	...	Cosmos Imp.	....	8	..	..	..
50	39	3.50	7	Do. pref.	....	50	..	..	..
6½	1½	.	...	Crown Dom. Oil	20	4	3½	3½	3½
20	8	2	...	Crow's N. Coal	29	13	16	12½	16
				D					
2	1	.	...	David & Fre. B	10	1	1	1	1
5	5	.	...	Do. (A)	....	5	..	..	..
†12½	12½	.	...	De Havilland	....	..	..	..	..
x15	10	.	...	Do. pref.	....	..	..	..	..
†9	5	.	...	Disher Steel	....	..	..	..	..
17	17	.	...	Do. pref.	....	17	..	..	..
52½	4	.	...	Distill-Seagram	8625	21½	28	22½	26
5	5	.	...	Dodge (A) pf.	....	5	..	..	..
x2	1½	.	...	Do. (B)	....	..	..	..	..
175	124	10	6.2	Dom. Bank	20	160	160	160	160
34	12½	2	6.5	Dom. Bridge	929	29½	30¾	29¾	30¼
10	3½	.	...	Dom. Coal	....	10	..	..	..
26	8	.	...	Dom. Engineer.	10	25	22	22	22
90	35	5	5.9	Dom. Glass	35	85	85	84	85
110	98	7	6.4	Do. pref.	....	110	..	..	..
5½	1	.	...	Dom. Motors	120	3	3	3	3
2⅞	¾	.	...	Dom. Pr. Stubs	....	1½	..	..	..
6	¾	.	...	Dom. St. & C B	1880	3½	3¾	3½	3½
27½	12⅛	1.20	5.4	Dom. Stores	135	21½	22¾	22	22
6½	1	.	...	Dom. Tar & Ch.	15	4	4½	4½	4½
27	5	.	...	Do. pref.	....	24½	..	..	..
69¾	39	4	6.2	Dom. Textile	17	65	65	64	64
107	93½	7	6.5	Do. pref.	....	107	..	..	..
7	¾	.	...	Dryden Paper	675	5⅝	5½	5	5
1½	1	.	...	Duff. Paving	....	1½	..	..	..
25	5	.	...	Do. pref.	....	25	..	..	..
				E					
3	3	.	...	East. Koot. Pr.	....	3	..	..	..
†97	94⅞	.	...	Do. pref.	....	..	..	..	..
7	1½	.	...	East Dairies	....	5	..	..	..
14	8	.	...	East. Steel	....	13	..	..	..
76	75	7	9.2	Do. pref.	10	75	76	76	76
‡34	34	2	...	East. Theatres	....	..	..	..	..
70	67	7	10	Do. pref.	45	..	70	70	70
4	1	.	...	Easy Washer	125	2	3	2½	2½
15½	7	75c	5	Economic Inv.	....	15	..	..	..
†15	15	.	...	Edmonton D'y.	....	..	..	..	..
†80	78¾	6.50	..	Do. pref.	....	..	..	..	..
3	½	.	...	Enam. & Heat.	....	3	..	..	..
19	5	.	...	Eng. Electric	10	13	15	15	15
10	1½	.	...	Do. (B)	....	10	..	..	..
				F					
15	4	.	...	Fam. Players	....	15	..	..	..
10	8	.	...	Do Vot. Tr.	....	10	..	..	..
15	8½	1	9	Fanny Farmer.	....	11	..	..	..
28½	28	2.40	8.4	Do. pref.	25	27½	28½	28½	28½
†88½	75	.	...	Firstbrook Box	....	..	..	..	..
21	6	.	...	Ford Motors A	3047	13½	15½	13¾	14
5	1½	.	...	For. Pr. Secs.	....	4	..	..	..
10	5	.	...	Foundation Co.	....	10	..	..	..
90	90	.	...	Fr.& For.Inv. p	....	90	..	..	..
†8	5	.	...	Frost Steel	....	..	..	..	..
40	40	.	...	Do. pref.	....	40	..	..	..
				G					
6.50	.70	.	...	Gen. St. Wares	730	4.50	4.87	4.00	4.00
18	15	.	...	Do. pref.	....	15	..	..	..
114½	40	2.40	2.4	Goodyear Tire	10	102	100	99	100
108	80	7	6.6	Do. pref.	80	106½	106½	105½	106½
†93½	93½	.	...	Gould Pumps, p.	....	..	..	..	..
3	⅛	.	...	Gt. W Saddlery	....	3	..	..	..
15	5	.	...	Do. pref.	40	8	15	10	15
16½	4	.	...	Gurd, Chas.	395	12	12½	11½	12
100	100	7	7	Do. pref.	5	100	100	100	100
7½	1½	.	...	Gypsum, Lime.	1315	5½	6	4¾	4⅞
				H					
12	2½	.	...	Ham. Bridge	215	8	9	7½	7½
40	35	.	...	Do. pref.	....	37	..	..	..
13½	4	.	...	Ham. Cot. pf.	255	10	12	12	12
5	1½	.	...	Ham U. Theat.	5	2½	2½	2½	2½
60	46	7	11.7	Do. pref.	....	60	..	..	..
‡50	50	.	...	Hillcrest Coll.	....	..	..	..	..
‡91	91	.	...	Do. pref.	....	..	..	..	..
8	2	.	...	Hinde & Dauch	105	6	6½	6	6½
†75	75	.	...	Holt Renfrew	....	..	..	..	..
‡96½	90	.	...	Do. pref.	....	..	..	..	..
3¾	⅜	.	...	Honey Dew	160	2½	2½	2½	2½
17	5	.	...	Do. pref.	10	17	15	15	15
9¾	1½	.	...	H. Smith Pap	167	7	7	6	6½
40½	8	.	...	Do. pref.	....	40	..	..	..
23½	14¾	2	8.7	Humberstone S	15	23	23	22½	22½
14	4½	50c	4.5	Hunt (A)	....	11	..	..	..
10	5	50c	5	Do. (B)	....	10	..	..	..

Range 1933 High	Low	Divd. Rate in $	Yield in % Aug. 5		Sales	Close July 31 (or—last)	Week Ending Aug. 7— High	Low	Close
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

x Quotations for 1932. No sales recorded in 1933 to date.
† Quotations for 1931.
‡ Quotations for 1930.
b New York Quotations.
* Stock dividend.
* Plus final dividend of 17½c. paid Mar. 31.
■ Covers payment due Jan. 1 last and deferred; paid Mar. 15.
* See "Unlisted Stocks" also.
§ On arrears.

Active Unlisted Bonds

(Furnished by A. J. Pattison, Jr. & Co., Limited)
August 8, 1933

Industrial Bonds:	Bid August 8	Asked August 8	Bid Aug. 1
Abitibi P. & P. 5% 1953	28.00	30.00	26.75
Acadia Sugar 6% 1946	90.00	94.00	90.00
Alta. Pac. Grain 6% 1946	80.00	84.00	82.00
American Sales Book 6% 1939	98.50	....	99.00
B. A. Oil 5% 1945	98.00	101.00	99.00
Can. Biscuit 6½% 1946	25.00	30.00	25.00
Can. Bread 6% 1941	96.00	....	97.00
Can. Cement 5½% 1947	75.50	79.00	75.00
Can. Steamship 6% 1941	24.50	27.50	24.50
Can Bakeries 6½% 1945	65.00	75.00	65.00
Can Canners 6% 1950	96.50	100.00	96.50
Can Copper Refin. 6% 1945	106.00	....	105.00
Can. Cottons 5% 1940	86.50	....	85.00
Can. Vickers 6% 1947	60.00	65.00	62.00
Cons. Invest. 4½% 1959	55.50	58.00	55.50
Cosmos Imp. Mills 6½% 1944	84.00	....	84.00
Davies, Wm. 6% 1942	97.00	100.00	97.50
Debenture & Sec. 4% 1936	65.00	....	65.00
Dom. Manufacturers 6% 1933	94.50	....	95.00
Dom. Tar & Chemical 6% 1949	73.00	77.00	74.00
Dom. Telegraph 5½% 1978 "A"	93.00	....	92.50
Dom. Textile 6% 1949	103.00	106.00	103.00
Dom. Woollens 6% 1948	30.00	....	29.00
Donnacona Paper 5½% 1948	35.00	35.00	33.00
Eaton Realty 5% 1949	90.00	94.00	89.50
Famous Players 6% 1948	77.00	80.00	77.50
Federal Grain 6% 1949	80.00	83.00	80.00
Firestone Tire 7% 1937	105.00	....	105.00
Fraser Cos. 6% 1932	30.00	....	29.00
Fraser Cos. 6% 1950	30.00	....	29.00
Galt Brass 7½% 1941	15.00	20.00	15.00
Goodyear Cotton 6% 1949	102.00	104.50	102.00
Great Lakes Paper 6% 1950	31.00	34.00	30.00
Gypsum, Lime & Alab. 5½% 1948	45.00	50.00	48.00
Harris Abattoir 6% 1947	101.50	103.00	101.50
Howard Smith 5½% 1953	74.00	76.00	74.00
Loew's Toronto 6% Serial	98.00	....	98.00
London Realty 6½% 1950	40.00	45.00	40.00
Maple Leaf Milling 5½% 1949	....	64.50	62.50
Massey-Harris 5% 1947	71.00	73.50	70.00
McColl-Frontenac 6% 1949	95.00	98.00	95.00
McKinnon Industries 6½% 1945	95.00	....	92.00
Mercury Mills 5½% 1953	52.00	....	50.00
Metropolitan Bldg. 7% 1944	80.00	....	80.00
Northern Ontario Bldg. 6½% 1939	65.00	71.00	65.00
Price Bros. 6% 1943	55.00	60.00	58.00
Richmond-Bay 6½% 1947	61.00	....	61.00
Simpsons Ltd. 5½% 1949	72.50	....	73.00
Simpsons Ltd. 6% 1949	77.00	81.00	76.00
Steel of Canada 6% 1940	103.50	....	103.00
Stop & Shop 6% 1947	63.00	....	63.00
Toronto Carpet 6% 1944	80.00	....	77.00
United Gas & Fuel 5½% 1948	74.00	78.00	70.00
United Grain Growers 5% 1948	81.00	85.00	80.00
United Grain Growers 5½% 1949	84.00	87.00	84.00
Wabasso Cotton 7% 1942	70.00	....	65.00
Western Grain 6% 1949	70.00	75.00	70.00
Public Utility Bonds:			
Bell Telephone 5% 1955	105.00	107.50	104.50
Bell Telephone 1957	105.00	107.50	104.50
B. C. Power 5½% 1960	93.00	95.00	87.00
B. C. Telephone 5% 1960	96.00	98.00	96.00
Calgary Power 5% 1960	85.00	87.50	85.00
Can. Northern Pwr. 5% 1953	81.00	85.00	80.00
Duke-Price Pwr. 6% 1966	80.00	83.00	79.00
French Nat'l Mail S.S. 6% 1952	124.00	....	118.00
Gatineau Pwr 6% 1941 "A"	73.00	75.00	72.00
Gatineau Pwr. 5% 1956	82.00	83.50	81.50
Maclaren Quebec 5½% 1961	83.50	85.50	83.50
Manitoba Power 5½% 1951	41.00	45.50	43.00
Montreal Isl. Pwr. 5½% 1957	96.00	99.00	96.00
Montreal LH&P 5% 1951	104.00	106.00	105.00
Montreal LH&P 5% 1970	104.00	106.00	104.00
Montreal Tram 5% 1941 July	95.00	97.50	95.00
Montreal Tram 5% 1955	80.00	82.00	79.00
Northwest Utilities 7% 1938	97.00	101.00	98.00
Ottawa Valley Pwr. 5½% 1970	99.00	101.00	99.00
Quebec Power 5% 1968	96.50	98.50	95.00
Rio Tramways 5% 1935	99.00	....	99.00
Shawinigan W & P 4½% 1970	78.00	81.50	76.50
Shawinigan W & P 5% 1970	85.00	88.50	86.00
Shawinigan W & P 6% 1937	95.00	97.00	95.00
Southern Can. Pwr. 5% 1955	97.50	100.00	98.00
West Kootenay Pwr. 5% 1956	97.00	100.00	97.50
Government, Provincial & Railway			
C. N. R. 4½% 1951 Dom. Gtd.	100.00	103.00	100.00
C. N. R. 4½% 1957 Dom. Gtd.	100.00	102.00	100.00
C. N. R. 5% 1969 Dom. Gtd.	106.00	108.00	106.00
C. P. R. 4½% 1944	81.00	85.50	81.00
C. P. R. 6% 1942	110.50	112.50	110.50
Dom. of Can. 5% 1936	102.50	104.50	102.50
Dom of Can. 5% 1941	103.50	104.50	103.00
G. T. P. 3% 1962 Dom. Gtd.	81.00	82.50	81.00
G. T. P. 4% 1962 Dom. Gtd.	94.50	96.00	94.50
Ont. Hydro 3½% 1952 Ont. Gtd.	91.00	93.00	91.00
Ont. Hydro 4¾% 1970 Ont. Gtd.	100.25	101.75	100.25
Ont. Hydro 4% 1957 Ont. Gtd.	92.00	93.75	92.00
Prov. of N B. 5% 1957	99.00	102.00	100.50
Prov. of Ont. 5½% 1947	107.00	108.50	107.00
Prov. of Ont. 5% 1948	103.00	104.50	103.00
Prov. of Ont 5½% 1946	107.00	108.00	107.00

Dividends Declared

	Present Annual rate	Amt. this payment	Date payable	Date of record
Bk. Can. Nationale	10%	2½%	Sept. 1	Aug. 15
Borden, c.	$1.60	40c	Sept. 1	Aug. 15
Bank of Montreal	$8	$2	Sept. 1	July 31
Bk. of Nova Scotia	12%	3%	Oct. 2	Sept. 15
Bank of Toronto	$10	$2.50	Sept. 1	Aug. 15
Can. Converters	$2	50c	Aug 15	July 31
Can. Bank of Commerce	$8	$2	Sept. 1	July 31
Canadian Oil, c.	50c	12½c	Aug. 15	Aug. 1
Can. Hydro-Elec, 1st pfd.	6%	1½%	Sept. 1	Aug. 1
Can Silk Products A	$1.50	37½c	Aug. 31	Aug. 15
Col. Natural Gas	...	1%	Aug. 15	....
Cosmos Imp. Mills, pfd.	$3 50	87½c	Aug. 15	July 31
Crow's Nest Coal (interim)	..	$2	Sept. 1	Aug. 1
Dominion Bridge	$2	50c	Aug. 15	July 31
Do	...	50c	Nov. 15	Oct. 31
East. Theatres, com.	$2	50c	Sept. 1	July 31
Goldfield Cons. (interim)	...	5c	Aug. 31	Aug. 16
Hollinger Gold	65c	5c	Aug. 12	July 28
Kelvinator, pref.	7%	1¾%	Aug. 15	Aug. 5
Loblaw Groceterias A & B	80c	20c	Sept. 1	Aug. 12
Merland Oil (interim)	....	5c	Sept. 15	Aug. 15
McIntyre Mines	$1	25c	Sept. 1	Aug. 1
Do., extra	50c	12½c	Sept. 1	Aug. 1
Do., extra	...	12½c	Sept. 1	Aug. 1
McColl-Fron., c.	60c	15c	Sept. 15	Aug. 15
Montreal Loan	12%	3%	Sept. 15	Aug. 31
Nat. Sewer Pipe A	$2.40	60c	Sept. 15	Aug. 31
National Biscuit pref.	$7	$1.75	Aug. 31	Aug. 15
Penmans	$3	75c	Aug 15	Aug. 5
Quebec Power	$1	25c	Aug. 15	July 26
Rolland Paper, pref.	6%	1½%	Sept. 1	Aug. 15
Royal Bank	8%	2%	Sept. 1	July 31
Shawinigan W. & Pr.	50c	13c	Aug. 15	July 24
Southern Can. Power c.	$1	25c	Aug. 15	July 31
Standard Steel, A pfd.	$3	75c	Oct. 1	Sept. 15

Active Provincial and Municipal Bonds

Quotations furnished by A. E. Ames & Co., Canada Permanent Building, Toronto, Ont.

August 8, 1933

	Rate	Actual Maturity	Next Int. Date	Price	Yield
*Alberta	4½	1 Oct., 1958	1 Oct.	89.00	5.29
Alberta	5	1 July, 1943	1 Jan.	97.00	5.39
Alberta	6	1 Mar., 1947	1 Sept.	103.50	5.63
*British Columbia	4½	1 Oct., 1953	1 Oct.	89.50	5.35
*British Columbia	5	15 Jan., 1948	15 Jan	95.50	5.45
British Columbia	6	15 Feb., 1947	15 Aug.	103.50	5.63
Manitoba	4	1 July, 1947	1 Jan.	83.00	5.79
*Manitoba	5	2 Dec., 1959	2 Dec.	94.50	5.39
Manitoba	6	1 Apr., 1947	1 Oct.	101.00	5.89
*New Brunswick	4	1 June, 1948	1 Dec	92.00	4.75
*New Brunswick	4¾	15 June, 1936	15 Dec.	101.00	4.75
New Brunswick	5½	1 May, 1950	1 Nov.	105.50	5.01
*Nova Scotia	4½	15 Nov., 1948	15 Nov.	100.00	4.50
Nova Scotia	5	1 May, 1942	1 Nov	102.00	4.75
*Ontario	4½	1 Sept. 1944	1 Sept.	103.00	4.17
Ontario	5	15 Oct., 1948	15 Oct.	104.50	4.59
Ontario	5½	1 Feb., 1947	1 Feb.	108.00	4.69
P. E. I.	4	1 Apr., 1939	1 Oct.	96.65	4.65
P. E. I.	6	1 May, 1947	1 Nov.	111.05	4.90
*Quebec	4½	1 May, 1961	1 Nov.	102.00	4.13
*Saskatchewan	4½	1 Sept., 1955	1 Sept.	87.50	5.47
*Saskatchewan	5	1 Nov., 1959	1 Nov.	92.00	5.54
Saskatchewan	6	15 Mar., 1952	15 Sept.	100.00	5.91
*Newfoundland	5	31 Dec., 1952	31 Dec.	78.00	7.10
*Newfoundland	5½	1 July, 1939	1 Jan.	80.00	10.01
*Newfoundland	6½	30 June, 1936	31 Dec.	90.00	10.49
Cities					
*Montreal	5	1 Sept., 1963	1 Sept.	104.83	4.70
*Toronto	4½	1 Jan., 1955	1 Jan.	100.00	4.50
*Vancouver	5	15 Jan., 1970	15 Jan.	88.60	5.75
Winnipeg	5	1 Mar., 1944	1 Sept.	92.00	6.00
*Edmonton	5½	1 Apr., 1947	1 Oct.	92.50	6.32
Calgary	5	1 Jan., 1942	1 Jan.	87.87	6.75
Halifax	6	1 July, 1951	1 Jan	115.01	4.75
Saint John	5	15 Dec., 1950	15 Dec.	102.95	4.75
Regina	4½	1 July, 1950	1 Jan.	79.60	6.50
Victoria	5	21 July, 1945	21 July	92.34	5.90
Quebec	5	1 June, 1948	1 Dec.	100.50	4.95

*Payable in New York.

Unlisted Canadian Stocks

(Furnished by A. J. Pattison, Jr. & Co., Limited) Investment Bankers, Toronto

August 8, 1933

Industrial Stocks	Bid	Asked	Ind. Stock cont'd.	Bid	Asked
Acadia Sugar c.	.60	....	Supertest Petroleum "B"	18.00	23.00
Acadia Sugar 6% pfd.	3.65	....	Toronto Elevators 7% pfd.	93.00	96.00
Acme Farmers Dairy 7% pfd.	55.00	62.00	United Corpns. Ltd. "A"	5.50	....
Agnew Surpass 7% pfd.	65.00	....	Un. Grain Grow.	13.00	15.00
Allens London 7% pfd. bonus c.	33.00	....	Western Grain 6½% pfd. bonus	18.00	21.00
Allens St. Cath. 7% pf. bonus c.	33.00	....	Western Grocers pfd.	80.00	....
Allens Toronto 7% pfd. bonus c.	20.50	....	**Insurance Stocks:**		
Andian National U. S. Funds	26.00	28.00	Br. Amer. Assce.	25.50	....
Atlantic Sugar "A" pfd.	78.00	83.00	Canada Life Ass.	396.00	425.00
B. C. Pulp & Paper pfd.	6.00	10.00	Can. Fire Ins.	51.00	60.00
Burns pfd. bonus com.	10.00	13.00	Confederation Life 20% pd.	120.00	....
Canada & Dom. Sugar	32.00	33.50	Continental Life 20% pd.	38.50	44.00
Canada Mach. c.	4.50	7.00	Crown Life Ins.	96.00	110.00
Canada Mach. pfd.	20.00	....	Dom. Fire Ins.	83.50	....
Canada Packers c.	31.00	33.00	Dom. Life 50% pd.	142.00	....
Canada Pack. pf.	100.50	102.50	Dom. of Can. Gen. Ins.	91.00	101.00
Canada Starch 7% pfd.	62.50	....	Empire Life 25% pd.	10.00	14.00
Canada Tea 7% pfd.	45.00	60.00	Excelsior Life 30% pd.	69.25	....
Canada Wire & Cable 6½% pfd. W.W.	63.00	....	Fidelity Ins. Co.	48.00	....
Can. Industries c. "A"	102.00	....	Great West Life Assce.	297.00	....
Can. Industries c. "B"	99.50	103.00	Guarantee Co. of N. A.	247.00	....
Can Industries 7% pfd.	120.50	123.00	Imperial Life	265.50	....
Can. Westing.	47.00	50.00	Mfrs. Life Ins	245.50	265.00
Chase, A. W., pfd. bonus c.	10.00	14.00	Monarch Life 10% pd.	15.50	....
Claude Neon Gen. Adv. Units	7.25	....	National Life 25% pd.	55.00	63.00
Dodge Mfg. "A" pfd.	....	7.00	Saskatchewan Life 10% pd.	7.00	11.00
Dom. Foundries & Steel 8% pfd.	47.00	53.00	Sovereign Life 25% pd.	18.25	....
Dom. Foundries & Steel c.	5.50	7.50	Sun Life Assur.	500.00	525.00
Dom. Mfrs. 7% pf.	65.50	....	Western Assur. co.	14.00	18.00
Dunlop Tire 7% pfd.	53.00	57.00	Western Life 20% pd.	8.00	11.00
Eastern Dairies Ltd. 7% pfd.	20.00	....	**Trust & Loan Stocks:**		
Edmonton Stockyards Units	38.50	52.00	Br. Mtg. & Trust.	151.00	160.00
Fed. Grain c.	2.25	3.75	Can. Gen. Invest. Ltd.	4.90	5.15
Federal Grain 6½% pfd.	34.00	....	Can. Investors Corp.	5.50	6.50
A. J. Freiman pf.	49.25	....	Chartered Trust	53.50	....
Gen. Steel Wares pfd.	14.00	16.50	Debenture & Sec. Corp. c.	3.50	....
Goderich Elevator & Transit	4.75	6.00	Debenture & Sec. 5% pfd.	16.50	....
Greening Wire 7% pfd.	51.00	....	Dom. & Anglo Invest. Units	185.00	....
Guelph Carpet 6½% pfd. bonus	66.00	71.00	Eastern Can. Sav. & Loan	110.50	115.00
Guelph Carpet c.	6.00	....	Eastern Trust	138.50	143.00
Inter City Baking com.	18.00	....	Guelph & Ont. Inv. par $50	46.50	51.00
Inter. Proprietaries "A"	31.50	33.00	Investment Foundation Units	32.50	36.00
Langleys Ltd. 7% pfd.	33.00	36.00	Lambton Loan & Savings	50.50	58.00
Loew's Lond. c.	.25	.75	London & Western Trust	....	50.50
Loew's Lond. 7% pfd.	3.25	4.00	Premier Trust	85.50	....
Loew's Toronto 7% pfd.	55.00	....	Provincial Bank	83.00	87.50
Massey Harris 5% pfd.	22.25	25.00	Security Loan & Savings	99.00	....
Medical Arts pfd. bonus c.	96.00	....	Sherbrooke Trust	100.50	110.00
Mount Royal Hotel c.	.25	.75	Sterling Trust	....	44.00
Mount Royal Hotel 6% pfd.	3.25	4.25	Traders Finance "A" c.	....	.55
Nat. Grocers c.	1.75	2.10	Traders Finance 7% "A" pfd.	26.50	....
Nat. Grocers 7% 2nd pfd.	85.00	90.00	Trusts & Guar.	30.50	35.00
Ont. Silknit pfd.	40.00	46.50	Victoria Trust & Savings	130.50	140.00
Paramount Kitchener pfd.	29.50	....	Waterloo Trust & Savings	90.50	100.00
Paramount Oshawa com.	2.00	....	**Power Issues:**		
Paramount Oshawa pfd.	32.00	....	B.C. Elect. Pwr. & Gas pfd.	97.00	99.00
Provincial Paper 7% pfd.	60.25	64.00	Calgary Power 6% pfd.	79.50	83.00
Reliance Grain 6½% pfd.	50.00	57.00	Can. Light & Power c.	24.00	27.00
Rolland Paper 6% pfd. W.W.	45.50	....	Can. West. Nat. Gas LH&P pfd.	78.00	81.50
Serv. Stations "A" pfd.	35.00	42.00	Maritime Tel. & Tel. c.	8.75	....
Standard Clay Prod. com.	....	15.00	Maritime Tel. & Tel. 7% pfd.	10.75	11.75
Standard Fuel 6½% pfd. bonus	66.00	....	N.B. Telephone c.	7.75	9.00
Supersilk pfd. bonus	30.00	....	N.S. L&P c.	28.00	....
			N.S. L&P 6% pfd.	73.50	....
			Recent London Quotations:		
			Brewers & Distillers		10s.
			Can. & For. Secs.		3s. 6d.
			Can. West. Lumber		1s. 7½d.
			Hudson's Bay		27s. 6d.
			Do., 5% pref.		85s.
			Internat. Holdings		32⅝
			Nfld. Pr. & Pap. deb. stock "B"		88½
			Trust & Loan of Can.		3s. 1½d.

Listed Bond Quotations

Week Ending August 7, 1933

Montreal	Int. Rate	Due	Yield	Latest Bid	High	Low	Range, 1933 High	Low
Abitibi, 1st mtge.§	5	1953	...	...	...	...	18	13
Asbestos	5	1942	...	21½	...	...	*65½	49
Can. Cons. Rub.	6	1946	...	...	...	...	62	...
Can. Cottons	5	1940	8.11	...	...	...	84⅞	...
Can Forgings	6	1942	...	...	...	...	*100	...
Can. Pr. (Laur.)	5½	1958	...	6	...	...	3	3
Do., (Way. Ser.)	5½	1958	...	6	...	...	*28½	5½
Can. S.S. Debs.	5	1943	...	68	...	...	*83½	...
Cedars Rapids	5	1953	...	...	...	...	108	108
Dom. Canners	6	1940	...	...	...	...	‡103	...
Dominion Coal	5	1940	...	48	...	...	37	...
McNish	6	1948	...	†3.00	2.50	...	3.00	1.00
Mex. L. & Pr.	5	1940	...	55	...	...	*73½	70½
Mtl L.H.&Pr. debs.	3	1939	...	45½	45½	45	47½	39½
Mont. Tr. 1st mtg.§	5	1941	5.46	...	...	...	98½	95½
Mont. Trams. A§	5	1955	6.68	...	81½	...	81½	58
Do., G. & Ref. B	5	1955	7.47	†82	...	...	73½	..
Do., C	4½	1955	9.03	...	...	...	57	57
Do., D	5	1955	6.86	...	...	...	77⅞	76½
N. S. Steel	5	1959	...	...	...	...	*62½	58
Ontario Steel	6	1943	...	87½	...	...	80	...
Porto R. Pr.	5	1936	...	...	...	...	*93	88
Steel of Canada§	6	1940	...	103½	...	...	*102½	100
Wayagamack	6	1951	...	...	...	...	*75	45
Winnipeg Elec.§	5	1935	...	...	...	...	*86	...
Toronto								
Canada Bread	6	1941	...	...	...	...	*101½	100
Steel of Canada	6	1940	...	...	...	...	*102½	...
Dominion Govt. Bonds (Montreal)								
War Loan§	5	1937	...	108.00	....	....	116.25	114.25
Victory Loan	5½	1933	4.23	100.05	....	....	100.75	100.00
Do	5½	1934	4.05	101.25	....	....	102.60	101.15
Do.	5½	1937	3.25	109.00	....	....	110.25	109.25
Do., refund	4½	1940	4.26	...	....	....	101.25	99.70
Do., refund	5	1943	4.44	104.00	....	....	103.37	101.85
Do., refund	4½	1944	4.47	100.25	....	....	100.50	98.75
Do., refund	4½	1946	4.38	100.25	....	....	*92.25	91.50
Do., renewal	4	1952	4.37	95.00	....	....	95.25	91.63
Conversion Loan	4½	1956	4.11	99.62	....	....	98.50	97.00
Do	4½	1957	4.56	99.62	....	....	99.00	96.00
Do.	4½	1958	4.53	99.75	....	....	99.58	97.75
Do.	4½	1959	4.46	100.75	....	....	100.87	97.50
Nat. Service Loan	5	1936	3.94	102.75	....	....	103.25	101.50
Do.	5	1941	4.46	103.62	....	....	103.75	100.75
Dom. Loan	4	1935	3.93	99 75	....	....	99.75	99.75

†Latest ask. ‡Quotations for 1930. *For 1931. *For 1932. None recorded in 1933 to date. §Payable in Canada and New York.

Winnipeg Stock Exchange

(Transactions for week to August 4)

Div. Rate in $	Yield in %		Sales	High for week	Low for week	Close Aug. 4
..	..	Beaver Lumber c.	32	5	4½	4½
4	7.4	Canadian Fire Ins.	50	54	54	54
..	..	Central Manitoba	2,400	13	11½	13
50c	3.8	Imperial Oil	200	13¼	13⅛	13⅛
..	..	Island Lake	200	.46	.46	.46
..	..	San Antonio	367	1.05	1.02	1.05
..	..	Stadacona	1,000	.06	.06	.06
1.20	4.3	Steel of Can.	35	28½	28½	28½
1.25	8.6	United Grain Gr.	21	14½	14½	14½
..	..	Western Grocers c.	25	19½	19½	19½

Stocks Not Traded in During Week*

	Bid	Ask		Bid	Ask
Beaver Lumb. pref.	65	..	Pelissiers, com.	½	¼
Beaver Fire	..	100	Reliance Grain pfd.	54	..
City Dairy 7% pf.	..	35	Sovereign Life	13½	..
City Dairy 8% pf	..	40	Traders Bldg.	65	..
Cres. Creamery, pf.	..	35	Can. Amer. Tr. shs.	..	3½
Nor. Mtg. part pd.	..	5	Fundamental Ser. A	..	4½
Northern Trust	15	19	Fundamental Ser. B	..	4
Pelissiers, pref.	15	..	Group. Income Shs.	..	4.65

*Stocks more active on other exchanges not included.

U. S. Economist Hopes Europe Stands By Gold

The two prevailing fears of European countries are those of war and the possibility of France and other gold bloc countries abandoning or being forced off the gold standard, according to Dr. Lionel Edie, New York economist.

When he went abroad several months ago he did not "give a damn whether the French were forced to abandon their precious gold standard," but now he believes that there would be repercussions in America that would retard commodity prices.

"There is a world recovery trend evident in Europe, both in business and in prices," he said. "Strangely enough, this trend is not accompanied by a like advance of international commerce. It is an advance in internal business conditions from country to country, which is not matched by a corresponding rise of export and import trade.

"London is relatively about the most prosperous city in the world today. I found three things which stood out vividly, as viewed by an American abroad:

"First—We sank more deeply in the hole of the depression than did Europe.

"Second—The French have a managed price level. They inflated during and after the war, and then kept the price level close to the inflation peak; still keep it there and intend to keep it there.

"Third—October of this year may be the critical month for the gold standard countries of Europe; for their going off the gold standard would have a shock effect in America. I am convinced that the American recovery programme would have a much better chance if the gold bloc in Europe were not forced off the gold standard."

Market For Dulse

Considerably more than half a million pounds of dried dulse were marketed from Southwest New Brunswick, the chief producing area, in 1932, according to the Fisheries News Bulletin.

Consolidated Paper Units Display Activity

From Our Own Correspondent

MONTREAL.—Belgo division of Consolidated Paper Corp. is expected to re-open with three machines at the beginning of October after having been closed down since June last year. Four other machines are to be placed in readiness to operate the first of the new year.

Employment at the Belgo mill has now reached the 200 mark, and it is expected that the payroll will number between 650 and 700 hands when operations have reached a normal basis. The Belgo mill will then be turning out in the neighborhood of 550 to 600 tons of newsprint daily.

The laurentide division of Consolidated Paper has stepped up its operations to between 63 and 65 per cent of rated capacity. Seven machines are in operation and employment is provided for about 640 men as compared with 372 last November, which was about the low point.

SALMON CANNERS IN PRICE BATTLE ON PACIFIC COAST

Present Prices at New High Since the War

Sockeye prices have increased more than 50 per cent during the past month through a buying war which has involved canners in all the fishing districts of British Columbia.

From the original 40 cents agreed upon at the opening of the season the price has now reached 65 cents, and canners look forward with apprehension to what may happen when southern districts come into full season. Present prices constitute a new high since the war for the northern and central districts.

During the past four years the price has dropped as low as 25 cents.

Call Prices Suicidal

Faced with the problem in a world market bitterly contested by cheaply-produced Japanese and Russian salmon, some canners already characterize present prices as "suicidal" and freely predict that there will be casualties in the ranks of the industry when the smoke of battle clears away.

The greatest scramble for fish is yet to come and will be at its height when the Fraser River fishing hits its full pace. In the northern districts the short season is already on the wane. In the Fraser River district eleven canneries are competing for fish. Two years ago there were only five. Canneries have more than doubled since a policy of unrestricted licenses went into effect.

Take U. S. Fish

Needless to say the fishermen are smiling. Other than for isolated brief periods they have in prospect the highest price since war days. But there is one fly in the ointment. Some Fraser River canners are already bringing in United States fish. Salmon are being trucked in from Bellingham. The seine and trap salmon from across the border is much cheaper; so cheap, in fact, that B. C. canners find it profitable to transport it. Some are planning to send their collecting boats to the American side to gather cargoes. They pay an impost of two cents a pound to bring in this fish, but 99 per cent of this duty is refunded when the canned product is exported.

Men in touch with the industry cannot see where a market is to be found for canned products bought at such prices. They point out that much of the fish contracted for in the Old Country in advance was sold on a 40-cent basis. Just how canners will fill such contracts with 60-cent fish and stay out of the "red" is a problem which they cannot solve.

Pack Below Average

Northern districts have not come up to expectation this season and the pack is nearing its end. The total pack of sockeye to date this season is 137,909 cases. This compares with the following totals for the corresponding period in preceding seasons: 1932, 127,622 cases; 1931, 175,085 cases; 1930, 258,943 cases; 1929, 127,276 cases. To date this year's pack is considerably below the average for five years.

NATIONAL STEEL SETS UP DEFICIT ON OPERATIONS

Working Capital Registers Shrinkage for Past Season

From Our Own Correspondent

MONTREAL.—Curtailed buying of railway cars is reflected in the financial statement of National Steel Car Co. for the year ended June 30, 1933, during which period the company sustained an operating loss of $290,686 compared with a profit of $59,482 in the previous year. The figures are not altogether comparable as the 1932 statement takes into consideration payments received by the company on account of war claims.

After taking into account depreciation allowance and payment of dividends on the capital stock totalling $52,000, the income account for the fiscal year 1933 shows a total deficit of $427,518, or roughly twice as great as that reported in the preceding twelve months.

Pull Down Surplus

Comparative figures on the income account for the past three year follow:

	1933 $	1932 $	1931 $
Op. profit	*290,686	59,482	440,595
Exp. cost	34,832	......	......
Balance	†325,518	59,482	440,595
Deprec.	50,000	50,000	100,000
Net profit	†375,518	9,482	340,595
Dividends	52,000	221,000	260,000
Surplus	†427,518	†211,518	80,595
Prev. surp.	5,408,442	5,619,960	5,539,365
C. and sur.	4,980,924	5,408,442	5,619,960

*Loss from operations.
†Deficit.

Working capital position compares as follows for year ending June 30:

	1933 $	1932 $	1931 $
Cr. assets	1,139,943	1,524,917	2,571,930
Cr. liabs	47,272	46,542	878,419
W. cap.	1,092,671	1,478,375	1,693,511

Quick Assets Lower

The operating loss and payment of dividends, etc., is reflected in the working capital petition, as outlined above, as well as in the general balance sheet. On June 30 last total assets were shown on the books at $7,239,014 as against $7,615,808 on the same date of the previous year.

Outstanding among the changes in the balance sheet are a reduction in call loans from $326,428 to $230,881 and a decline in the investment account from $816,422 to $530,833. The latter figures compares with a market value of securities amounting to $495,000.

Fixed assets, inventories, cash surrender value of insurance policies, etc., show relatively little change during the year.

Among liabilities current accounts are negligible. Depreciation reserve has been written up from $2,160,819 to $2,210,819, while surplus and capital account stands at $$4,980,923 compared with $5,408,442 a year ago.

Halifax Handles More Grain

The movement of grain out of the Port of Halifax this year is considerably larger than that of last season. From January 1 to June 29, 2,048,000 bushels were exported compared with 1,242,000 bushels during the similar period of last year.

Silver Pact Gives Prices An Easy Tone

While no official statement has been made following the silver agreement signed on July 22 at the World Economic Conference by the delegates from India, China and Spain, the most important holders of silver, and Australia, Canada, United States, Mexico and Peru, the principal producers, it is understood that selling quotas have been reached. The period of the agreement is understood to date for four years commencing January 1, 1934. The Indian Government, under the terms of the agreement, undertakes to sell not more than 140,000,000 fine ounces of silver based on an average of 35,000,000 fine ounces a year. The Spanish Government will sell not more than 20,000,000 fine ounces, or an average of 5,000,000 fine ounces a year, while the Chinese Government will not sell silver derived from demonetized coins.

On the other hand, governments of the producing countries mentioned not only undertake not to sell silver, but to buy or otherwise withdraw from the market a total of 35,000,000 fine ounces each year from the silver mines in their respective countries.

The agreement has afforded no strength to the silver market and the tendency has been slightly downward. China and India have given some support and there was some speculative enquiry, but buying has been limited. Selling from Europe has been steady and there has been re-selling by speculators while offerings from New York gave the market an easy tone.

Dominion Textile Units More Active

From Our Own Correspondent

MONTREAL.—Sherbrooke Cotton Co., subsidiary of Dominion Textile Co., is working its Sherbrooke plant on a full 24-hour shift. An increase of more than 50 looms will be installed shortly.

At the same point, the plant of the Paton Manufacturing Co., an associated company of Dominion Textile Co. and engaged in manufacturing woollens, is reported to be behind in filling orders.

MARITIMES REPORT PROMISING OUTLOOK

Crop Prospects Encouraging — Trade Conditions Better

Weekly trade report of the Canadian Credit Men's Trust Association, for the week ending August 5, is as follows:

Halifax. — No noticeable change as yet reported in business conditions and merchants report volume continues fairly satisfactory. Collections fair.

Saint John, N.B.—In spite of continued dry weather, crop prospects remain encouraging although the berry crop is reported somewhat below normal. Shipments of potatoes have already commenced from New Brunswick; prices, however, are low as yet. Lumbering conditions are more promising than for some time past. Improved retail conditions continue. Collections better, old accounts still difficult.

Montreal. — Wholesalers report a good volume in grocery line; dry goods improving; an increased volume noted in boots and shoes; ladies' wear also showing some improvement; clothing very fair; gent's furnishings fair; hardware fair. Both city and country retail merchants report a very fair week's trading. Collections: wholesale very fair; retail, improving slightly but still slow.

Toronto.—Very little change reported. Summer sales increase appears to have fallen off somewhat, but a fairly satisfactory volume of small orders is being maintained. Automotive trade reports good turnover in new cars. Building still quiet. Placing orders for fall shipment fair. Collections, fair.

Winnipeg. — No noticeable change reported in trade conditions over previous week. Volume in groceries continues satisfactory. Retailers report a fairly satisfactory volume of business for the week due to special sales and tourist trade. Collections fair to good.

Regina.—Wholesale trade report a slight improvement in grocery line; dry goods fair; boots and shoes fair; hardware fair. A slight improvement also noted in city retail trade; country trade fair. Collections: wholesale, current accounts, good; retail, city—fair to slow; country, very poor.

Moose Jaw. — Wholesale and retail groceries quiet; wholesale boots and shoes quiet; wholesale and retail hardware fairly good; dry goods quiet. Collections fair.

Saskatoon.—Wholesale trade report volume in grocery line being fairly well maintained; hardware remains satisfactory; oils about the same as last year; boots and shoes sales slightly increased over last year. Retail trade satisfactory; sales stimulated by clearance sales. Collections slowing up a little.

Calgary.—Wholesale and retail groceries keeping up steady volume. All other commodities, with the exception of a little summer wear moving very slowly, particularly in country districts. Continued hot weather is having a most adverse effect on sales.

Edmonton.—Wholesale trade generally showing improvement. Recent cool wet weather has adversely affected city retail trade but has had a good effect on crops. Current collections prompt with improvement noticed on old outstandings.

Vancouver. — Both manufacturing and retail trade report business as holding its own. Wholesale groceries, hardware and dry goods volume up considerably. Boots and shoes and ladies' wear rather quiet. Lumbering, logging and mining industries very active. Fishing industry rather upset due to controversy in the price question and shortage of fish. Fruit crops are reported in good condition, with prices favorable. Collections continue fair.

WHOLESALE PRICES CONTINUE ADVANCE

Losses of 1932 Wiped Out by July Increase

Wholesale prices have now advanced to the level at the close of 1931, the Dominion Bureau of Statistics index rising to 70.5 in July as compared with 67.6 in June, the highest point since December, 1931, when the index was 70.6. The regular monthly increases beginning in March this year have therefore practically wiped out the losses of 1932 and the first two months of the current year.

The index for vegetable products has consistently led all gains, the July advance being from 61.7 to 69.8. Among the July advances, however, it is important to note the increases in wood and wood products and chemicals, indices which have failed to advance materially in recent months. Indices by groups are as follows:

Indices of Wholesale Prices (1926 = 100)

	July, 1933	June, 1933
Vegetable products	69.8	61.7
Animals & products	59.6	58.6
Fibres & textiles	70.6	70.0
Wood & wood products	62.9	62.0
Non-ferrous metals	69.9	68.0
Non-metallic minerals	83.6	82.6
Iron & products	84.2	84.2
Chemicals	81.4	81.2
General	70.5	67.6

Mining Stock Quotations

Week Ending August 7.

Par Val.	Range 1933 High	Low	Company	Sales	Close July 31 (or last)	High for week	Low for week	Close Aug. 7
1	.05	.03	Abana	......	.03	.....	.....	.....
1	.02½	.00½	Acenda	1,000	.02	.01½	.01½	.01½
No	.30	.03	Aldermac	13,060	.30	.30	.24	.24½
1	.03⅞	.01	Alexandria	34,500	.02½	.02½	.02	.02½
No	.06	.02	Algoma	182,500	.03½	.05	.03½	.04
1	.01½	.00½	Algonquin	19,500	.00½	.00½	.00½	.00½
1	.06	.00½	Amity C.	73,900	.05	.05½	.05	.05
No	.74	.10	Amulet	63,944	.66	.71	.58	.69
1	.01	.00½	Apex	......	.00½	.....	.....	.....
1	.05½	.02	Area	4,500	.04	.04½	.04	.04½
No	.04½	.01½	Arno	130,000	.03	.03½	.03	.03
1	1.36	.74	Ashley	1,860	1.06	1.30	1.00	1.25
1	.14	.02½	Bagamac	4,500	.05½	.06	.05½	.05½
1	.03	.00½	Baldwin	9,500	.01½	.01½	.01	.01
1	.20	.08	Barry Hollinger	11,400	.09	.10	.09	.10
1	2.45	.75	Base Metals	5,410	1.95	2.10	1.86	1.95
No	1.00	.98	Beattie	......	.98	.....	.....	.....
1	.40½	.08	Big Missouri	16,200	.19	.23	.20	.21
1	.27½	.08½	Bobjo	35,800	.20	.22	.20	.21½
No	10.25	2.28	Bralorne	4,575	9.85	10.25	9.70	10.05
1	.25	.15	Brett Trethewey	7,350	.23½	.24	.23	.23
1	.07½	.01½	Brownlee	50,000	.04½	.04½	.04	.04
1	.03	.00½	Buckingham	90,200	.02	.02½	.01½	.02
No	.04½	.01½	Buffalo Can	......	.02½	.....	.....	.....
5	19.00	15.60	Bulolo	200	17.00	17.00	17.00	17.00
No	.10	.01½	Bunker Hill	58,800	.08	.08	.07½	.07½
5s	1.25	.60	B'Wana McKubwa	100	1.23	1.25	1.25	1.25
No	.05	.02½	Canam Metals	......	.05	.....	.....	.....
1	.12½	.03	Can. Kirkland	19,800	.09½	.09½	.08½	.09
.	.40	.32	Can. Malartic	13,300	.....	.40	.32	.40
1	.02	.00½	Capital Rouyn	90,500	.01½	.02	.01½	.01½
1	.03½	.01	Cartier Malartic	......	.01	.....	.....	.....
1	.72	.15	Castle Trethewey	12,800	.48	.50	.48	.49
1	.18	.05	Cen. Manitoba	44,500	.09	.13	.09	.12½
1	.40	.17	Cen. Patricia	21,150	.38½	.39	.36	.39
No	.20	.03	Chibougamau Pros	19,200	.10	.11	.10	.10
No	.12	.03	Church. M & Mill	26,500	.10	.12	.03½	.09
No	.04	.00½	Clericy	69,000	.02½	.03	.02	.03
1	.03	.01	Clifton Cons.	18,000	.02	.02½	.01½	.02½
5	9.00	1.65	Coast Copper	470	5.60	5.65	5.10	5.50
1	.15	.00½	Cobalt Contact	153,700	.10½	.12½	.10	.10½
1	.33	.05	Columario	24,300	.21	.21	.17	.20½
5	1.90	.75	Coniagas	100	1.50	1.30	1.30	1.30
No	.60	.20	Coniaurum	7,100	.58	.55	.52	.52
25	142.00	54.00	Cons. Smelters	1,788	121.87	133.00	121.00	126.00
No	39.50	13.60	Dome Mines	13,160	30.25	34.75	30.20	32.50
No	.15½	.03½	Dom. Explorers	11,050	.09	.09	.08	.08½
1	.02½	.00½	Dominion Kirk	174,600	.01	.02½	.00½	.02½
1	.04	.01	Don Rouyn	3,000	.02½	.02	.02	.02
1	.04½	.02	Duparquet	8,250	.02½	.02½	.02	.02½
1	8.10	1.16	Eldorado	65,720	4.25	4.50	4.00	4.00
No	4.55	1.80	Falconbridge	4,972	3.80	4.10	3.85	4.10
1	.06	.01	Federal	14,500	.02½	.03½	.02½	.03½
No	.07	.01	Gilbec	35,500	.04½	.05	.03½	.04½
1	.17	.04	Goldale	9,200	.14½	.14½	.12	.12
10	.29	.10	Goldfield	9,000	.25	.25	.22	.22
.	.01½	.01	Gold Reef	......	.01	.....	.....	.....
1	.12	.02	Goodfish	1,500	.08	.08½	.08	.08
1	.04	.01	Graham	9,700	.02	.03	.02	.02
1	1.95	.98	Granada	12,085	1.02	1.10	1.00	1.04
1	.18	.06	Grozelle	......	.13½	.....	.....	.....
1	.41	.24	Halcrow Swayze	5,500	.40	.41	.40	.40½
1	.06	.02	Harker	5,000	.03½	.04	.04	.04
1	.01½	.00½	Hilltop	2,000	.01	.01½	.01	.01½
5	10.90	6.00	Hollinger	9,014	9.50	10.00	9.60	9.60
1	1.00	.61	Howey Gold	14,065	.88	.89½	.87	.89
No	12.25	3.10	Hudson Bay	2,555	10.00	10.50	9.50	10.50
No	.55	.25	Huronian	2,280	.45	.55	.47	.50
1	12.00	9.00	Inter. Mining	100	12.00	9.00	9.00	9.00
.	4.00	4.00	Do., Pur. Warr.	......	4.00	.....	.....	.....
No	23.25	8.00	Int. Nickel	95,822	18.60	20.50	18.40	19.25
1	.03½	.00½	Jackson Manion	6,500	.02	.02	.02	.02
1	.70	.20	Keeley	1,200	.45	.55	.50	.50
1	.02	.00½	Keora Mines	......	.00½	.....	.....	.....
1	.76	.48	Kirk. Hud. Bay	2,300	.61	.60	.56	.60
1	.02½	.00½	Kirk. Hunton	16,000	.01½	.01½	.01½	.01½
1	.52	.30	Kirkland Lake	12,200	.36	.37	.36	.37
1	.04	.01½	Kirkland Premier	3,500	.02½	.03	.03	.03
1	.52	.12	Kirk. Townsite	43,600	.30	.38	.29	.33½
20c	.02½	.00½	Koot. Florence	1,500	.01½	.01½	.01½	.01½
1	.35	.15	Lakeland	28,100	.29	.31½	.29	.31
No	.32	.07	Lake Maron	254,900	.17	.27	.15	.22
1	47.60	30.75	Lake Shore	1,555	42.00	43.85	42.00	42.00
1	.18	.02½	Lebel Oro	73,300	.13	.18	.12	.16
No	.29	.12	Lee Gold	29,800	.12	.14½	.13	.14
1	.74	.20	Macassa	49,750	.67	.69	.65	.69
1	.23	.05	Malartic	......	.17	.....	.....	.....
1	.07½	.01	Malrobic	61,000	.06	.07	.05	.07
No	.17	.02	Mandy	800	.12	.11	.10½	.10½
No	.07	.01	Manitoba Basin	17,500	.04	.04½	.04	.04½
5	38.75	21.20	McIntyre	3,255	32.75	36.50	33.00	34.50
1	.50½	.30	McKinley	......	.50½	.....	.....	.....
No	.08	.02½	McLeod River	24,550	.03½	.03½	.03	.03½
1	.25	.03	McMillan	4,400	.26	.26	.25	.26
No	1.15	.46	McWatters	25,225	1.00	1.13	1.00	1.07
1	.84	.15	McVittie	31,377	.64	.67	.62	.67
5	1.25	.06	Mentor Exp. & Dev.	......	1.05	.....	.....	.....
No	2.65	1.20	Mining Corp.	5,035	2.00	2.15	2.05	2.15
1	.05	.01½	Moffatt Hall	9,600	.03½	.03½	.03½	.03½
1	.12½	.02	Moneta	1,000	.08	.08½	.08	.08
1	.00½	.00½	Montreal Rouyn	......	.00½	.....	.....	.....
1	.40	.05½	Moss	14,300	.06	.07½	.06	.06
1	.03½	.00½	Murphy	8,500	.02	.02½	.02	.02
No	.06½	.02½	Newbec	7,000	.04	.04	.03½	.03½
1	.06½	.01½	Night-Hawk Penn.	18,500	.05½	.04½	.04½	.04½
5	3.50	1.15	Nipissing	4,188	2.50	2.55	2.40	2.45
No	38.25	19.75	Noranda	8,825	32.40	34.75	32.50	33.50
No	.52	.32½	Nor. Canada	5,600	.39	.40	.35	.37
No	.38½	.19½	Normont-Gold	8,850	.37½	.38½	.37	.38½
1	.34	.05	Osisko	5,800	.20	.20½	.16	.18
1	.28½	.11	Parkhill	8,700	.23	.24	.23	.23½
1	.03½	.01½	Pawnee Kirk	1,000	.01½	.01½	.01½	.01½
1	1.80	.50	Pend. Oreille	2,225	1.21	1.25	1.18	1.20
1	.04½	.00½	Peterson Cobalt	10,500	.02½	.03	.02½	.03
1	16.25	4.30	Pioneer Gold B.C.	2,520	11.50	13.00	11.50	11.50
1	.03	.00½	Porcupine Crown	5,500	.02	.01½	.01½	.01½
1	.01½	.00½	Potter Doal	2,000	.01	.01	.01	.01
1	1.60	.55	Premier Gold	1,850	1.25	1.26	1.20	1.22
1	.03½	.00½	Preston E. Dome	3,000	.02	.02	.01½	.02
No	1.75	.68	Prospectors Air's	1,100	1.25	1.40	1.35	1.40
No	.15	.03	Quemont	......	.11	.....	.....	.....
1	.49½	.38	Read Authier	18,250	.48	.49½	.45	.46
1	2.75	.60	Reno	89,565	2.08	2.15	1.80	1.80
1	.03½	.00½	Ribago	10,500	.02	.02½	.01½	.01½
1	.03	.01½	Ritchie	14,500	.02	.02½	.02	.02½
1	.04½	.01	Robb Montbray	500	.03½	.03½	.03½	.03½
1	1.25	.75	San Antonio	7,109	1.05	1.12	1.05	1.05
1	.07	.02	Seven Troughs	......	.07	.....	.....	.....
1	1.90	.33	Sherritt Gordon	25,220	1.43	1.60	1.45	1.47
1	1.78	1.25	Siscoe	46,860	1.60	1.63	1.55	1.60
1	.10½	.02½	South Keora	500	.05	.05	.05	.05
No	.07½	.01½	Stadacona	129,100	.05½	.06	.05	.05½
1	.60	.07	St. Anthony	4,900	.30	.33	.30	.32
No	2.21	.60	Sudbury Basin	3,150	1.62	1.75	1.60	1.65
1	.15	.00½	Sudbury Contact	13,500	.11	.12	.10	.11½
1	.02	.00½	Sudbury Mines	60,200	.01½	.02	.01½	.01½
No	.25	.16½	Sudbury Nickel	500	.25	.25	.25	.25
1	.38½	.20	Sullivan	10,550	.27	.26	.24	.24
1	1.44	.72	Sylvanite	14,855	1.07	1.14	1.05	1.07
1	.03½	.01½	Tashota	......	.01½	.....	.....	.....
1	7.25	3.70	Teck Hughes	12,989	6.15	6.50	6.10	6.25
1	.14	.03	Thom. Cadillac	73,500	.09	.14	.09½	.14
1	.61	.10	Towagmac	9,800	.50	.54	.45	.52
1	3.00	1.00	Treadwell	666	1.75	1.75	1.50	1.51
1	.17	.04	United Kirkland	100	.11½	.10	.10	.10
No	.06½	.01½	Vacuum Gas	3,500	.02	.02½	.02½	.02½
No	2.40	.80	Venezuela	......	2.35	.....	.....	.....
No	1.50	.80	Ventures	17,490	1.11	1.15	1.10	1.10
1	.22	.03	Vickers	5,000	.04	.04	.03½	.03½
1	.75	.20	Vipond	6,300	.50	.60	.50	.56
No	2.30	.35	Waite Ackerman	7,980	2.00	2.30	2.00	2.15
50c	.75	.33	Wayside	132,200	.55	.58½	.51	.56
1	.08	.02½	White Lake	2,600	.06	.07	.06	.07
1	.28	.02	Wiltsey Coughlan	15,100	.17	.20	.18	.19
1	.27	.07	Wood Kirkland	1,500	.20	.20	.19½	.20
No	7.70	3.73	Wright-Hargreaves	15,020	7.05	7.40	7.00	7.15
			OIL STOCKS					
No	.21	.07½	Acme Gas & Oil	48,900	.15	.19	.15	.19
1	.04½	.04½	Admiral	......	.04½	.....	.....	.....
1	1.60	.55	Ajax	14,750	1.25	1.35	1.20	1.29
1	.68	.05	Alta. Pacific	9,600	.27	.33	.25	.28
1	.18½	.05	Amalgamated	32,200	.15	.17	.13	.16
No	1.16	.04½	Associated	16,905	.36	.45	.35	.40
No	.26	.01	Baltac	26,690	.10½	.12	.10	.11
No	2.50	.25	Calgary & Ed.	8,550	1.57	1.85	1.50	1.59
1	.45	.03	Calmont	4,500	.17	.19	.16½	.18
1	.25	.03½	Common. Pete	10,100	.12	.17	.07	.15
No	2.50	.11	Dalhousie	10,352	.75	.80	.70	.80
No	.19	.02	Devenish	......	.10	.....	.....	.....
No	.55	.05½	East Crest	7,400	.26	.28	.24	.25
No	.36	.25	Erie Gas	......	.27	.....	.....	.....
No	.02	.00½	Fabyan Pete	73,500	.01½	.01½	.01	.01½
No	1.75	.06	Foothills	15	.50	.90	.90	.90
No	.28	.04	Freehold	22,550	.18	.16	.10	.14
No	.06½	.01½	Hargal	......	.05	.....	.....	.....
No	4.05	.30	Home	22,276	2.30	2.35	2.05	2.25
1	.25	.10	Homestead O. & G.	2,500	.15	.15½	.10	.15½
No	.47	.10	Lowery	900	.35	.35	.35	.35
No	.20	.05½	Marjon Oil	3,400	.17	.15	.15	.15
1	1.85	.14	Mayland	345	1.35	1.30	1.25	1.30
No	.10	.03½	McD. Segur Ex.	7,500	.05½	.06½	.05½	.06
.	.05½	.05½	McD. Segur N.	......	.05½	.....	.....	.....
1	1.10	.25	McLeod	825	.60	.60	.46	.46
No	.30	.07½	Mercury	32,700	.21	.19	.16½	.17
No	.45	.11	Merland	12,300	.37	.42	.37	.40
.	.01½	.01	Mid West	......	.01½	.....	.....	.....
No	.35	.09	Mill City Pete	......	.15	.....	.....	.....
1	.50	.12	Model	3,500	.30	.35	.30	.30
5	.30	.09	Nordon	22,700	.18½	.19	.15½	.16
No	.08	.02½	Oil Selections	21,800	.05½	.05½	.04½	.04½
No	.20	.04½	Okalta	2,500	.11	.12	.11	.11
No	.61	.20	Olga Gas & Oil	7,400	.39	.40	.38	.39½
5	.03½	.01	Penn. Pete	......	.01½	.....	.....	.....
1	.25	.13	Petrol Oil & Gas	200	.20	.15	.15	.15
No	.02	.02	Richfield	......	.02	.....	.....	.....
No	23.00	5.75	Royalite	1,265	15.00	17.00	15.50	16.75
1	.25	.05	Sarnia Oil	5,850	.20	.18	.17	.17
No	.45	.04	South West Pete.	......	.25	.....	.....	.....
1	.39	.06	Spooner	1,300	.30	.30	.25	.25
No	.75	.12	Sterling Pacific	4,400	.45	.47	.41	.46
.	.43½	.43	Trinidad Oil	......	.43½	.....	.....	.....
No	.25	.03	United	14,050	.13½	.13½	.10½	.10½
No	.25	.06	Vanalta	6,100	.18	.17	.15	.15
No	.08	.00½	Wainwell	15,000	.04½	.05	.04	.04

VANCOUVER STOCK EXCHANGE
(Transaction for Week to July 31.)

Par Val.	Range 1933 High	Low	Company	Sales	Close July 25 (or last)	High for week	Low for week	Close July 31
25c	.03	.00½	Bayview	2,000	.02½	.02	.02	.02
20c	.10½	.02½	Beaver Silver	46,000	.09½	.10	.08	.08
25c	.17	.03½	Big Slide	6,000	.04	.04	.03½	.04
25c	.06½	.02	Bluebird	2,700	.04	.02	.02	.02
No	10.20	1.38	Bralorne	7,900	10.00	10.20	9.50	10.00
1	.57	.05	Bridge River Cons.	7,900	.34½	.38	.30	.31
50c	.71	.35	Bridge River Exp.	36,600	.58	.58	.50	.51
100	89.00	88.50	B.C. Electric, pfd.	......	86.50	.....	.....	.....
1	1.50	.60	B.C. Silver	200	1.25	1.15	1.15	1.15
No	.82	.52	Burns Mountain	......	.55	.....	.....	.....
1	4.15	1.50	Cariboo Gold	5,800	3.05	3.00	2.85	2.90
No	12.90	5.60	Coast Breweries	611	10.50	10.95	10.00	10.25
25c	.02½	.00½	Cork Province	1,000	.01½	.02½	.02½	.02½
1	.05	.02½	Cotton Belt	1,000	.02½	.05	.05	.05
1	.08	.00½	Dalhousie Mines	2,000	.03	.02½	.02½	.02½
1	.13	.02	Dunwell	7,000	.07	.08	.07	.07
1	1.00	.28	George Copper	200	.50	.55	.55	.55
50c	.12	.04	Geo. Enterprise	......	.04	.....	.....	.....
1	.09½	.02	Georgia River	21,400	.06	.06½	.05	.05
1	.60	.16	Golconda	300	.43	.40	.38	.38
50c	1.25	.60	Gold Belt	2,987	.85	.85	.80	.85
1	1.50	.95	Golden Belle	......	1.50	.....	.....	.....
50c	.11	.03½	Grandview	6,850	.09	.06	.04½	.05
1	.01½	.00½	Independence	3,000	.01	.01	.01	.01
1	.03½	.02	Indian Mines	1,000	.02½	.02½	.02½	.02½
1	.17	.08½	Inter. Coal	1,000	.12	.14	.14	.14
1	.36	.36	Jack Waite	......	.36	.....	.....	.....
50c	.57	.31	Kootenay Belle	2,700	.35	.35	.33	.33
25c	.04	.00½	Kootenay King	......	.01½	.....	.....	.....
25c	.01	.00½	L. & L.	......	.00½	.....	.....	.....
1	.01	.00½	Lakeview	......	.00½	.....	.....	.....
10c	.06½	.01	Lucky Jim	19,800	.06	.06	.05½	.05½
50c	.01½	.00½	Marmot Metals	......	.00½	.....	.....	.....
10c	1.05	.20	Meridian Mines	104,500	.49	.60	.42	.42
5c	.13	.05	Metaline Metals	5,000	.08½	.06	.06	.06
.	.01	.00½	Mohawk	......	.00½	.....	.....	.....
.	.17	.15	Mogul	3,000	.16	.17	.15	.15
50c	.41	.18	Morning Star	17,500	.26½	.28	.24	.24
1	.06	.00½	Morton Woolsey	7,000	.02½	.03	.02½	.02½
1	.29	.06	Native Sons	40,508	.09	.10	.09	.10
50c	.10½	.00½	National Silver	36,800	.07½	.07	.05½	.05½
50c	.89	.74	Nicola	3,900	.87	.88	.87	.87
50c	.21½	.02½	Noble Five	20,800	.15	.15	.12½	.13
50c	.01	.00½	Oregon Copper	......	.01	.....	.....	.....
1	.35	.25	Pavilion	......	.25	.....	.....	.....
1	1.25	.40	Pioneer Extension	......	1.10	.....	.....	.....
1	16.10	4.30	Pioneer Gold	120	13.00	13.75	12.00	12.00
1	.11	.10	Planet	......	.10	.....	.....	.....
50c	.19	.04½	Porter Idaho	3,600	.12½	.12	.10	.10
No	.04	.00½	Premier Border	48,000	.02½	.02½	.02½	.02½
1	.10	.02	Quatsino Copper	1,500	.05	.04	.03½	.04
No	.42	.10	Reeves McDonald	1,300	.26	.25	.20	.20
1	.30	.25	Reliance	......	.27	.....	.....	.....
1	2.70	.60	Reno Gold	17,115	2.30	2.30	2.00	2.05
1	.22	.04	Reward Mining	7,800	.14	.13	.12	.12
1	.10	.01	Rufus Argenta	4,000	.04½	.04½	.04	.04
1	.07	.02½	Ruth Hope	......	.05	.....	.....	.....
1	.65	.41	Sally Mines	3,400	.50	.50	.47	.47
1	.15	.03½	Silverado	......	.10	.....	.....	.....
25c	.09	.01	Silver Crest	35,550	.05	.04½	.04	.04
20c	.03½	.01½	Silversmith	......	.03½	.....	.....	.....
50c	.04½	.01	Snowflake	13,000	.02½	.02	.02	.02
25c	.06	.06	Sonora	......	.06	.....	.....	.....
1	.61	.40	Standard Gold	......	.40	.....	.....	.....
1	.50	.25	Sunloch	......	.45	.....	.....	.....
5	.40	.30	Toric	100	.30	.40	.40	.40
50c	.03½	.02	Topley-Richfield	11,500	.02½	.02½	.02	.02½
50c	.70	.08	Wayside	38,350	.66	.65	.55	.55½
25c	.12	.01½	Waverly Tangier	81,900	.06	.06	.05	.05
20c	.05	.01½	Wellington	5,000	.02	.02½	.02½	.02½
.	.36	.32	White Eagle	29,800	.33	.34	.31	.31
1	.18	.03	Whitewater	13,600	.13	.10	.08	.09
1	.48	.40	Yankee Belle	......	.42	.....	.....	.....

DIVIDEND PAYERS

	Rate	Yield %		Rate	Yield %
Ajax Oil	8c.	6.20	Merland Oils‡	5c.	.....
Coniagas‡	12½c.	.....	Noranda‡	50c.	.....
Coniaurum†	3c.	.....	Petrol Oil	*2c.	.....
Cons. Smelters*	10%	.....	Premier	12c.	9.83
Dome Mines	$1+55c.	4.76	Pioneer, B.C.	60c.	5.21
Falconbridge	10c.	.....	Royalite	*1.50	.....
Goldfield Cons.‡	5c.	.....	Siscoe	12c.	7.50
Hollinger	65c.+10c.	7.81	Sterling Pacific Oil‡	3c.	.....
Howe Sound	40c.	.....	Sylvanite	4+1c.	4.67
Lake Shore	$2+$1	7.14	Teck-Hughes	60c.	9.60
McIntyre	$1+75c.	5.07	Wright-Har.	20c.	2.79
McLeod Oils‡	5c.	.....			

*Stock. ‡Interim. †Initial. *Paid in 1932.

Driver's Policy In Disfavor With Companies

When the Financial Responsibility Law came into force in Ontario, a demand for some form of insurance for automobile drivers who did not own automobiles was created. To satisfy this demand, a new policy was introduced, known as the "Driver's Policy" which gave protection up to $1,000 for property damage, $5,000 for damages to any one person and $10,000 for any one accident — the minimum requirements under the law.

Experience with this policy has not been entirely satisfactory, insurance officials inform The Financial Post, a large proportion of the class of business being written not being desirable. It is pointed out that it was expected that a certain proportion of automobile drivers would take out this policy in order to protect themselves in case of accident. Experience has shown, however, that the great majority of policies issued have been to persons who have had their licenses suspended owing to participation in an accident and require a guarantee to be allowed to resume driving under the terms of the Financial Responsibility Law.

That this class of business is not a good one is obvious. Persons who have been involved in an accident severe enough to warrant damages action cannot be regarded as good risks for the future.

So far nothing has been done about the situation although an increased premium is being mentioned in unofficial circles while some companies would be disposed to cancel the policy entirely.

WARN SALESMEN AGAINST "CON" MEN

Would Insure Horses to Gain Confidence, Then Place Bets

C. E. McCann, secretary-treasurer of the London Underwriters' Association, has issued the following warning:

"London agents are warned that a stranger claiming to represent a large Kentucky racing stable has approached two local agents, stating that he wished to take out a large amount of life insurance on five racehorses, which he claimed were now insured in the United States, but as the insurance would mature during a few days he wished to place it in Canada, as the horses were going to be permanently kept on a breeding farm near London.

"After trying in the above way to gain the confidence and interest of the agents, he suggested that he could place an amount of money for them on a race being run that day on which he had inside information from the owners.

"We understand from the Hartford Livestock Insurance Co. that they lately had a similar report of an attempted plot along these lines, and feel it is advisable to warn our agents accordingly."

Loggers Lose Appeal on Compensation Assessments

By a decision of judicial committee of Privy Council handed down in London recently, the appeal was dismissed of a group of sixteen logging operators, carrying on west of the Cascade Mountains, who claimed against British Columbia Workmen's Compensation Board that assessments for medical aid were illegal.

The appellants sought a declaratory judgment that assessments for medical aid were prescribed exclusively by section 33 of Workmen's Compensation Act and that additional levies for this purpose ought to be raised by assessments on all employers generally within the scope of Part One of the statute. Some $250,000 was affected by the judgment.

Excelsior Life Business Shows Steady Increase

Increases in new business have been made in five of the first seven months of 1933, as compared with the corresponding months in 1932, by the Excelsior Life Insurance Co., according to Alex. Fasken, K.C., president of the company.

July business was 36 per cent ahead of last July. June was 9 per cent ahead of the previous June, while May was 6 per cent in advance of May, 1932. Both January and February showed 14 per cent increases over the first two months of the previous year.

Insurance Inklings

ARTHUR W. FOSTER, managing director of the Waterloo Mutual Fire Insurance Co. died on July 31.

ARTHUR F. LEGGATT, Jr., has been appointed manager of the recently opened London, Ont., branch of the Standard Life Assurance Co.

FRANK JORDAN was recently elected president of the Victoria and District Fire Insurance Agents' Association.

M. A. PENNINGTON, well-known Hamilton, Ont., insurance man, died on July 31. Mr. Pennington, who was 86 years of age, has been retired for a number of years.

R. H. McCARTEN, Hamilton branch manager for the London Life has captured the Efficiency Trophy, emblematic of the most outstanding achievement in agency building and production. The trophy is competed for annually by all ordinary agencies of the company.

English Firm Completing Large Telescope For Canada

The largest telescope ever made in Europe, and the second largest in the world, is taking shape at the Newcastle works of Sir Howard Grubb, Parsons & Co., for delivery to Toronto University. The contract is worth £40,000 to £50,000.

It will contain a 76-inch diameter mirror now being made from special glass in New York. The mirror alone will weigh 2¼ tons, and will be 1 ft. thick. It will be polished by Messrs. Grubb, Parsons for a whole year, experts working upon it until it is correct to the nearest one-five-hundred-thousandth of an inch. A 75-ton revolving steel dome to house the telescope is being manufactured at Middlesbrough.

SAYS PRODUCTION CANNOT LIQUIDATE DEBTS OF WORLD

Columbia Engineer Thinks New Capital and Debt Structure Needed

Reminiscent of technocracy, a new book on economics has just been published attacking debt, employment and production from the point of view of science. It is "Debt and Production" by Bassett Jones, research associate in industrial engineering at Columbia University, which institution was being blamed for the technocrats a few months ago.

That debts as stated at present will never be paid seems to be the conclusion of the work. The remedy: "it seems to follow that a new capital and credit structure, one or both, is required in which the total is automatically controlled by the total of production in which the accrual to credit is a function of the growth of production."

The author, who takes issue with economists, suggests that an underlying principle of our modern economy is that "possible growth of debt is a direct function of the growth of production.

Debt vs. Production

This unusual study assumes, "to be conservative" that the rate of growth of debt is constant. Against this it is stated that growth of production does not and cannot act in such a manner. And it is contended that since 1910-1915 its growth has been decreasing.

"It looks as if we are suffering from overproduction of debt, not overproduction of goods. The latter is consequent upon the former," Mr. Jones remarks.

Of the solutions which have been proposed for the world debt problem, he comments:

"For some reason or other, the only solution of the (debt) problem which seems to have occurred to those in control of the situation is to create more debt to be used as a substitute for accruals—that is to maintain accruals by artificial means. . . . production cannot support 50 per cent of the existing debt.

"If what has been written above proves to be correct, production can never again support even this portion of the debt."

View on War Debts

While the increase of debt as a whole does not seem to worry the average economist, it appears incomprehensible to Mr. Jones. While economists advocate recommencement of some forms of lending, and generally frown on war debts, the Columbia technician writes:

"Lest someone yet believes that the 'war' or the 'war debts' have anything to do with this matter, attention should be drawn to the fact that . . . . the 'war debts' are mere pocket change compared with the staggering and incomprehensible magnitude of the industrial debt."

A revised debt structure must have two characteristics in the opinion of the author: (1) Quantity of debt at any time must have a one-to-one relation to the volume of production at that time; (2) payment of debt at any time must have a one-to-one relation with the growth of production at that time. Ultimately the credit structure must be revised in accordance with these two principles, he thinks.

The study is based largely on mathematical calculations. These are illustrated with graphs of a somewhat complicated nature and the methods of the study are outlined in an appendix. The latter is called "a suggested method for the analysis of economic statistics." The body of the book, outside the appendix, is titled "introduction," being intended only as a general approach to the problem.

Mr. Jones does not appear to feel that his work is conclusive, but that it opens the way to a more accurate study of the modern economy.

Debt and Production is published by John Day, New York. Price, $2.50 .

VANCOUVER BRIDGE CONTRACTS GIVEN

Several Companies Share Contracts Totalling $900,000

From Our Own Correspondent

VANCOUVER.—Several companies will share in the construction of the new Second Narrows Bridge to connect Vancouver with the North Shore. This project has now been authorized by the federal government after prolonged negotiations. The original bridge was demolished as a result of a ship's collision with the span some two years ago.

Details of the transactions involved in the construction job are as follows:

1. Vancouver Harbor Commission is authorized to buy the bridge from the Burrard Tunnel & Bridge Co. now in the hands of a receiver.

2. Harbor Board is to pay the company $35,000 for the present bridge and its appurtenances.

3. Reconstruction at a cost of $900,000 is authorized.

4. Cost of the Foundation Company's substructure contract is to be $333,753.

5. Cost of the superstructure contract, awarded to the Dominion Bridge Co., is to be $445,510.

6. Harbor Commission is authorized to borrow for the work up to $900,000 from the banks at interest rates not to exceed 5 per cent.

7. The Bridge Company is to be permitted to repurchase the structure for one dollar after the Harbor Board has been reimbursed for its expenditure, with interest at 5 per cent.

Failures Down 18.4 p.c. in First Six Months

Failures under the Bankruptcy Act for the week ended July 29 numbered 23 as compared with 42 in the corresponding week a year ago. For the year to date, failures total 993, a decrease of 225 or 18.4 per cent from the corresponding period a year ago.

By provinces, failures records show that all, with the exception of Nova Scotia, are lower than in the same period a year ago, Quebec showing the greatest decline.

Failures Under Bankruptcy Act
Six Months Ended July 29

	1932	1933	Incr. or Decr.
P. E. I.	11	8	—3
N. S.	42	43	+1
N. B.	47	33	—14
P. Q.	374	290	—84
Ont.	507	444	—63
Man.	48	41	—7
Sask.	44	32	—12
Alta.	82	57	—25
B. C.	63	45	—18
Canada	1,218	993	—225

Port Royal Pulp Acquires St. George Pulp Enterprise

From Our Own Correspondent

MONTREAL.—Port Royal Pulp & Paper Co., of Saint John, and Senator B. W. Page, of Maine, have taken over the plant of the St. George Pulp and Paper Co., at St. George.

Production of groundwood pulp at the mill will be commenced as soon as repairs can be made. The plant has not been in operation for the past year and a half, but the equipment has been kept in good condition. It is estimated that production can be resumed in five or six weeks time.

Between 3,000 and 4,000 cords of wood ready for the grinders are piled on the company's grounds ready to be ground into pulp. The dam at the falls has been surveyed and will be repaired at once. The low water makes this feasible at present and it is possible a new dam may be built.

Crow's Nest Pass Coal Order Helps East Kootenay

From Our Own Correspondent

MONTREAL. — Dispatch from Fernie, B.C., states that the Crow's Nest Pass Coal Co. has secured the entire contract of the Winnipeg Electric Co. for coke, amounting to 50,000 tons annually. Formerly United States mines supplied the Winnipeg firm.

Receipt of this contract will enable the Crow's Nest Pass Coal to continue operations. For a time it was feared that the coal company would have to close down. Such action would have gone hard with the East Kootenay Power Co., which supplies a large proportion of its power output to the coal concern.

The coke contract from Winnipeg Electric, in which interests closely identified with East Kootenay Power Co. are associated, will go a long way toward strengthening the position of the coal and power utilities in the Crow's Nest Pass area.

Plan to Resuscitate Bathurst Holdings

A new financial deal has been announced by officials of Bathurst Mines, which is expected to enable the company to pay off its debts and provide funds for further development of its property in the Patricia district of Ontario.

Some excitement was created in mining circles early this year when T. W. Bathurst, president of the company, announced that he had brought out $7,500 in gold produced in the company's property last winter. The real facts of the case leaked out as a result of an inspection made by the Provincial Police, who went to the Bathurst camp from Gold Pines. It was disclosed that the gold did not come from the Bathurst property, but from some claims re-staked by two prospectors. Bathurst agreed to provide a small milling plant in return for a share interest. The reported production of $7,500 in gold was the result of the clean-up from the present mill, but investigation shows that the output was nearer $1,400 than the former figure.

At the Mines

Bralorne Mines.—Production in the first six months of 1933 had a normal value of approximately $243,000 from 22,511 tons of ore milled. This is an average recovery of $10.80 per ton and an average daily milling rate of 124 tons.

* * *

Garry Gold Mines. — Recently incorporated by Granada Gold Mines as a subsidiary to develop its God's Lake holdings, is to be financed in part through rights offered to Granada Gold Mines shareholders. The first issue will be 550,000 shares at 15 cents per share on the basis of one Garry for each two shares of Granada held. Rights expired on August 7. Officials announce that 250,000 shares have already been taken up and that 1,000,000 shares are being transferred to Granada Gold Mines as vendors of the property, which includes three groups, including the Beaver, Horn and Pilot claims comprising approximately 3,600 acres.

* * *

Grull—Wihksne Gold Mines. — An offering of 500,000 shares at 45 cents per share has been made to finance the company's property in the Bridge River district adjoining the Bralorne Mine on the north and west. The company acquired its holdings from the Gold Base Synd. on the basis of 250 shares in the present company for each syndicate unit held. All vendors shares are in escrow. The present offering is expected to net approximately $140,000. In addition, the company has $27,000 received from the treasury of the Gold Lake Syndicate.

* * *

Kootenay-Belle Mine.—Development at the company's property on Sheep Creek, near Salmo, British Columbia, has encountered a sulphide ore body in the east drift of No. 1 vein which shows a length of at least 60 feet over a width of 18 to 20 inches. Assays indicate that average values are about one-and-one-half ounces of gold per ton. A 120-h.p. Diesel engine driven compressor has been installed.

* * *

Paradise Mine. — Plant and equipment at the company's property in the Windermere district, British Columbia, have been destroyed by forest fires. The property was for many years owned and operated by the Hon. R. Randolph Bruce, former Lieutenant-Governor of British Columbia.

* * *

Pioneer Mines of B. C.—The normal value of gold produced in the first six months of 1933 was approximately $970,000 from 47,435 tons of ore treated. This is an average recovery of $20.45 per ton and an average daily milling rate of 262 tons.

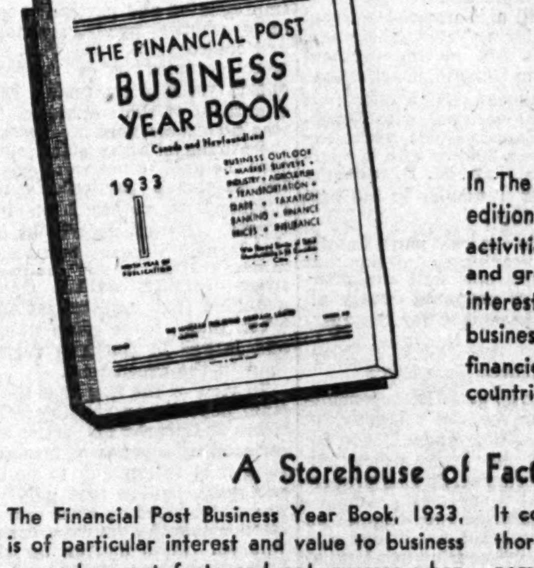
* * *

Siscoe Gold Mines.—Another record was established in July with the treatment of 9,467 tons of ore. Production was $98,634—a slight decline from the June record of $100,533, due to the lower grade of ore treated.

Quebec Port More Active

During the present season of navigation to the end of July, grain deliveries and receipts at the Port of Quebec were three times the volume of the previous year. Receipts during the period amounted to 7,721,308 bushels as compared with 749,796 bushels for the similar period of 1932, and deliveries, 6,685,256 bushels, compared with 2,291,402 bushels in 1932.

What Makes This Book So Useful That it Sells All Over the World?



In The Financial Post Business Year Book, 1933 edition, facts and figures on Canadian business activities are so intelligently chosen, analyzed and grouped as to make reference to this book interesting and satisfying not only to Canadian business men but also to economists, statisticians, financiers and government officials in other countries throughout the world.

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Canadian Mining News

NORANDA PROFIT 71 CENTS A SHARE FIRST SIX MONTHS

Increased Tempo of Production Reflects in Higher Earnings

The estimated earnings statement of Noranda Mines for the six months ended June 30, 1933 shows a net profit of $1,591,131, equivalent to 71 cents per share on the 2,239,772 no par value shares outstanding.

Earnings in the three months ended June 30, 1933 were 41 cents per share as compared with 30 cents in the previous quarter or an increase of 36½ per cent.

In a statement accompanying the financial report, J. Y. Murdoch, K. C. president of the company, calls attention to the programme decided upon early in 1933 to maintain an approximate monthly production of 2,500 tons of copper and $500,000 in gold at normal valuation. At the present time there is no intention of immediately increasing that rate but if foreign copper producers continue to increase their output, Noranda will increase its production in order to supply its regular market, where no difficulty is experienced with sales.

Ore developments at depth are commented on as follows:

"During the first few months of this year 10 vertical diamond drill holes were put down from the 2,475-ft. level, the lowest level on which any crosscutting or drifting has been done, in order to get a general idea of the shape and extent of 'lower H' ore body below that level so that a programme of shaft sinking, development and ore extraction could be drawn up. The information obtained from these holes and also some deep holes drilled about two and a half years ago from the 1,475-ft. level indicates that the massive sulphide ore in this lens terminates at an average depth of about 200 ft. below the level; that the average horizontal area is about the same as in the block between the 1,975-ft. and 2,475-ft. levels; that roughly one-third of it is direct smelting ore of somewhat better grade than the average of that class of ore shown in the last annual report, and the remainder is concentrating ore of about average grade.

"Although the massive sulphide ore in this lens apparently ended at a depth of about 200 ft. below the 2,475-ft. level, six of the ten vertical holes drilled after passing out of the massive sulphide went into well mineralized rhyolite carrying sufficient gold and copper to make good fluxing ore. This fluxing ore was found to extend to a depth of about 500 ft. below the level in several of the holes, so it seems pretty certain that further exploration of this block below the massive sulphide ore will result in the development of a substantial tonnage of profitable fluxing ore.

"No. 4 shaft is being sunk another 500 ft. to the 3,000-ft. level for the purpose of exploring and developing the ore indicated by the above mentioned diamond drilling (present depth 2,900 ft."

Estimated Earnings

	1st 6 Mos. 1933	1st quar. 1933
	$	$
Total recovery	5,365,306	2,476,458
Less: Mining, adminis. & gen. exps.	3,174,640	1,515,507
Res. for taxes	243,900	108,000
Net oper. earn.	1,946,766	852,951
Add: Misc. inc.	158,036	70,546
Total net earn.	2,104,802	923,497
Less: Res. for deprec.	513,672	256,536
Est. net profit	1,591,130	667,961
Est. Earns. per Share	$0.71	$0.298
Production:		
Copper anodes, lbs.	30,712,154	13,434,628

U.S. Steel Corp. Engineers Visit Obonga Chromite

Two engineers from the United States Steel Corp. have just concluded a visit to the Obonga Lake chromite area, about 26 miles south of Collins, Ont., on the Canadian National Railway.

The professed mission of the engineers was a fishing expedition, but their evident interest in the chromite deposit was sufficiently obvious to cause a wire being sent to officials of the Chromium Alloy Co. at Hamilton, Ont., controlling the property, as to whether a visit would be permitted. This permission was refused, but it is understood that a visit was made nevertheless.

Considerable attention was attracted to the deposit in 1929 when the Consolidated Chromium Corp., a promotion of Charles V. Bob, of New York, obtained the property and started development work. Government engineers reported that there was a serpentinized zone approximately three-quarters of a mile wide and about three-and-a-half miles in length in which occurred small irregular lenses of chromite assaying about 30 per cent Cr_2O_3. The serpentine also carried finely disseminated values of Cr_2O_3. A shaft was sunk to a depth of some 300 ft. and about 500 ft. of crosscutting and 100 ft. of drifting done before Bobs and his promotions went into bankruptcy.

New Sponsors

Early this spring interest in the property was renewed when the Chromium Alloy Co. Ltd., principally sponsored in New York, was formed to refinance and further develop the property. To date little or nothing has been done other than to maintain the property on a caretaking basis.

The report of the Ontario Department of Mines on the property concludes with the following paragraph:

"Since the deposit is not readily accessible, transportation difficulties will hinder its development, taking into consideration the present price at which Rhodesia and New Caledonia are supplying the American market with 50 per cent Cr_2O_3 ore. However, the increased consumption of chromium in America, due to the recent innovation of its use in the manufacture of stainless steel, a material of wide industrial application, will, no doubt, effect a better market condition. Deposits uncommercial at present will unquestionably be of considerable importance in the future."

Granby Reports Loss $302,912 in 1st Quarter

Reflecting curtailed output and liberal provision for depletion and depreciation, the quarterly statement of Granby Consolidated Mining, Smelting and Power Co. shows a loss of $302,912 for the three months ended June 30, 1933, as compared with a loss of $224,798 in the first quarter.

The following tabulation shows comparative figures for the two quarterly periods:

	2nd qu. 1933	1st qu 1933
	$	$
Net earnings	12,122	38,111
Less: Depreciation	196,685	196,685
Depletion	118,349	66,224
Loss for period	302,912	224,798

Central Patricia from the Air

Pioneering a new area in the Patricia District, Central Patricia's new mill is rapidly taking form, with production planned to start early next year. Its own saw mill prepares mill timbers and a sizable supply of wood has been cut for fuel for power.

Central Patricia Gold To Start Mill April 1st, Is Working Aggressively

Mill Foundations Laid and Building Will Be Ready Before February

NEW FIND MADE

Springer Work Proceeding in Ore With Visible Gold —Now Salvaging Mill Machinery Lost Through Ice

By WELLINGTON JEFFERS

CROW RIVER, Ont.—Here in the Pickle Lake—Crow River area in the District of Kenora (Patricia portion) of Northwestern Ontario, about 125 miles northeast of Sioux Lookout and about 95 miles by plane north of Collins on the Canadian National Railways, Central Patricia Gold Mines is bending every effort toward having its mill completed and in production before April 1, 1934. That objective is likely to be reached, as F. M. Connell and associates, backers of the project, have adequately financed it.

Under the general active supervision of Allan J. Anderson, mine manager, the following three enterprises of interest to shareholders of Central Patricia Gold Mines are actively under way:

1. Concrete foundations are laid for a 50-ton mill, using cyanidation-amalgamation process, and the mill itself will be ready by January 31 next for the machinery to be brought in over the winter road.

2. A gang of men start work in Whitethroat Lake this week to fish for the milling machinery and tractors which went through the ice on their way to the company's property last March, and all will be ready when ice conditions permit to bring in salvaged material, a large amount of equipment cached here and there beside this and other lakes and new material to take place of irrecoverable material lost in the profound depths of the mud of Harris Lake.

Springer Ore Find

3. Operations are actively proceeding at the company's camp on the Springer claims, where active surface work is being liberally rewarded, visible gold being shown at shaft and at other points where outcrops have permitted blasting of the vein.

The significance of the Springer claims work is increased by the fact that this group of veins has no geological connection with the vein system at the mill three miles to the west and that while the new 50-ton mill will be grinding away at the ore already in sight on the four levels at the mine, it is hoped an active campaign will be developing a new and promising property three miles away to feed the mill with ore when required. Exploration in the present mine will also proceed actively after dewatering next February, and then it will be the farthest north mine in Ontario, sharing that privilege almost immediately, if present plans work out, with Northern Aerial Canada Golds, which expects to have a 200-ton mill in operation on the N. A. M. E. property some four or five miles to the east as the crow flies.

Not only is concrete work for the 50-ton mill nearing completion, but the company's saw mill and planing mill have prepared nearly all the lumber necessary for the operation.

Has Three Years Ore

The report by J. A. Reid, consulting engineer for the company, in September, 1930, made it certain that sooner or later production would be attempted on this property. At that time further underground exploration was dropped on account of market conditions and the difficulty of securing any kind of financing. The work already done had shown three well defined ore bodies which were cut at all four levels (125 ft., 250 ft., 350 ft. and 500 ft.) and it was estimated by Mr. Reid that the probable and possible ore from these three shoots alone amounted to 35,000 tons, having a gross value of about $600,000. This does not include exchange compensation now being paid on gold. These three shoots alone to the 500 ft. level, therefore, would give a 50-ton mill, in all probability, ore for three years, supposing operations to continue 300 days a year and without any other development. At 60 tons a day there are still two years supply of ore.

During those two or three years, an active exploration programme, both underground and on surface, will be continued. A vertical three-compartment shaft has been sunk in the foot-wall of the ore zone to a depth of 527 feet. Prior to the commencement of underground development, about 6,000 feet of diamond drilling in thirty holes was done at intervals along the ore zone. In December, 1929, W. E. Segsworth, T.M.E., stated that the average of the surface sampling indicated an ore zone 557 ft. long and 17.45 ft. wide, running to $12.57 in gold per ton. At the 250 ft. level, diamond-drill intersections indicated that the ore zone extends 680 ft. with a width of 6.83 ft. and gold values of $15.27 per ton. The deepest diamond drill hole in the property intersected a width of ore amounting to 7.3 ft. at 430 ft. in depth and it had an average value of $36.20 in gold per ton.

Associated With Iron

The deposit occurs along a fracture zone, intersecting a band of iron formation that lies within the Keewatin greenstones and the several lenticular bodies composing the band are 50 ft. wide in places and extend about 400 ft. along the strike before pinching out. The iron formation has been traced for about 1,800 ft. by trenching. The zone of fracture and mineralization runs approximately east-west and intersects the lenses of iron formation at a low angle. It is displaced by a fault at the east end and at the west end, where it passes into the greenstones there is a decrease in the mineralization.

The mineralized zone and the enclosing iron foundation dip at an angle of 75 degrees to the north. This body is just south of the Crow River, which runs through the camp and turns into a rapids at this point. Just to the north of the river, a body of altered quartz porphyry lies about 100 ft. north of the ore zone and runs parallel to it. It dips to the north at about the same angle. At first it was believed that mineralization on the property would be related to this zone of altered porphyry. Sooner or later the possibilities of this body at depth will be explored.

Assay Boundaries Define Ore

The fracture of the iron formation provided innumerable cracks and crevices along which mineralizing solutions could subsequently penetrate. The chloritic and carbonate portions of the iron formation were impregnated and partially replaced by pyrrhotite, pyrite, arsenopyrite and chalcopyrite. The open spaces were occupied by a network of quartz veinlets containing varying quantities of the sulphides. There was no visible gold, and assays at the provincial assay office indicated that the gold values were chiefly in the sulphides, particularly in the arsenopyrite rather than in the quartz. Ore widths will be delimited largely by assay boundaries as mineralization is not confined between definite walls. Openings available for mineralization are often found to be more numerous and larger in the iron formation than in the greenstone.

In view of the fact that the principal deposits on the Central Patrician and nearby properties are associated with bands of iron formation, it is interesting to note that geologists believe that gold values were introduced by later mineralization along the fracture zones developed. It is interesting also to know that these lenses and bands of iron formation occur in various parts of the Central Patricia and N. A. M. E. properties and the Pickle Lake greenstone belt in general.

These bodies are by no means uniform. Some are only a few feet wide and some as much as 250 feet wide. They can often be traced continuously for several hundred feet along the strike. The contacts between the greenstone and iron formation constitute lines of structural weakness.

Central Patricia Gold Mines has in its Springer claims an interesting showing off three miles to the east. Extensive surface exploration was carried on under the direction of J. McCallum in 1929 and active exploration is being continued this year under the general supervision of Allan J .Anderson, mine manager.

As in every other part of the Pickle Lake-Crow River Area, surface work is somewhat difficult because so much of the property is covered by open muskeg. On the eastern claims, however, numerous outcrops extend up through the sand and glacial drifts. Mineralization has been found at a number of points on this property. Near the southwest corner, on claim No. 647, a quartz vein containing conspicuous amounts of native gold was found. The vein occupies a shear zone in schistose greenstone, striking northeast and dipping 60 deg. northwest. It ranges from 6 inches to eight feet in width and has been traced for about 100 feet. Near the west end of the vein a cross fracture has been traced for 150 feet in a northwesterly direction. It is occupied by twisted quartz veinlets from 2 in. to 3 ft. wide and containing visible gold.

On July 31, the latest find was made about half a mile from this point when the men at work in the Springer camp cracked open on two sides a weathered knoll over which they had passed repeatedly and on both sides of it found visible gold in encouraging quantities. Three days later The Financial Post representative visited this spot.

The 70 claims of Central Patricia start about one mile east of Pickle Lake and extend to about six miles east of Pickle Lake and they are about one and a half miles in depth.

Salvaging Proceeds

When work stopped in September, 1930, as already indicated, development had advanced to a point where a mill was required. It was not just the right time to raise money and the building of the mill was left to 1933. In the fall of 1932, and the winter of 1933, new finances for the larger programme were obtained. Early in February, 1933, orders were placed for the equipment. A flow sheet was developed and equipment ordered for a 50-ton mill of cyanidation-amalgamation flow. Ore had been sent out for the test before the mine was closed down and it was shown that very good extraction could be obtained by using cyanidation and amalgamation. The mill design was laid out accordingly.

The equipment and supplies for this mill as well as the other necessary mining supplies were bought and shipped from Savant Lake in an effort to get them in before the break-up in the spring of 1933. Part of it went through the ice. Salvage is now proceeding and the machinery will continue on its way in the coming winter.

Buffalo Ankerite To Pay 5c Dividend

An initial semi-annual dividend of five cents per share, based on an annual rate of 10 cents per share, has been declared payable to shareholders of Buffalo Ankerite Gold Mines, on August 15, 1933. The ex-dividend date was July 29. Dividend dates of the future have seen set at February 15, and August 15.

Since incorporation on October 8, 1932, the company has been brought to a profitable basis and has paid off $21,000 funded indebtedness. Its outstanding capitalization is 479,440 in $1 par value shares.

Northern Aerial Canada Plans For 200 Ton Mill To Operate By Next Spring

Jack Hammell Decides Surface Work and Drilling Justify Action

CRACK OPEN NORTH

Will Drive Shaft to 500 Feet and Open Two Levels By Time Mill is Running

By Staff Editor

COLLINS, Ont.—Northern Aerial Canada Golds, formerly Northern Aerial Minerals Exploration or colloquially N.A.M.E., intends before next April to have a 200-ton mill built and working, the present shaft sunk from 50 to 550 feet and two levels established at 250 and 500 feet on the Howell vein, which was opened for 1,000 feet in 1929 and 1930, and tested by pits and diamond drilling. John E. Hammell, president, flew from Sioux Lookout on July 28 with two United States engineers whose names are well known throughout Canada's mining districts, Sydney H. Ball and K. F. Hoffmann. The latter were desirous of studying the potentialities of this property on behalf of certain New York interests and the general geological situation in the district.

After discussing the situation with A. J. Hattie, mine manager, and inspecting the property, Mr. Hammell declared on his way out to a representative of The Financial Post who visited the property a day later, that he was personally satisfied that the bold programme outlined was the correct policy to follow. His decision in favor of a 200-ton mill instead of the 50-ton mill, which will be operating on the Central Patricia property by next spring is a measure of his confidence in the district. He believes there will be sufficient ore for a 200-ton mill and work of the next six months in the mine he expects will demonstrate that fact amply.

Is Amply Mineralized

The principal discoveries are quartz veins, known as the Howell, Lake Shore, Riopelle and Big Dome, but only the Howell has been explored as yet in a concentrated way. The Howell deposit, lying along the northwest slope of a ridge, occupies a fracture zone which intersects a broad band of iron formation. At intervals along 6,000 feet the vein has been exposed. For 250 feet the vein was exposed by trenching, the quartz filling having an average width of 2½ feet. Bulges and veinlets of quartz containing native gold also occur in the greenstone at intervals for 600 feet along what is regarded as the Westward continuation of the Howell "Break." The vein filling is of white quartz containing visible gold, some chlorite and ankerite and occasional grains of chalcopyrite. Pyrite, arsenopyrite and ankerite occur here and there in the chloritic portions of the wall rock. Reports in 1929 and 1930 indicated that veinlets of quartz run out from the main vein into the neighboring iron formation and add considerably to the width of the gold bearing ore zone.

Recent work has carried surface exploration still further. By test pits the company has now opened up 260 feet of high-grade ore along the strike with an average width varying between four and five feet. Values run up as high as $70, while assays of $14, $19, $15, $13 and $10 are frequent. Recent reports indicate also that 400 feet along the schisted area in the western part of the vein, the vein narrows but shows good values.

The shaft is down more than 50 feet in the eastern part with sulphides and some visible gold. On the north side of the vein especially there is a good showing. Of the company's 35 claims, six claims are along the strike of this vein north-east and southwest. In the remaining claims the season's requirements in prospecting have been done.

Trench samples across the eastern part of the vein showed the following results: $14.30 across 7.6 feet; $18.87 across 7.33 feet; $15.80 across four feet; and then the vein dips down into the swamp. Another hole shows $11.20 across 12.22 feet or $14.84 across 9.13 feet; still another hole showed $6.29 across 10.25 feet; $6.29 across 10.27 feet; $11.95 across 5.89 feet and $9.29 across 8.29 feet.

Easy to Handle

The vein dips about 80 degrees to the north. So far as indicated by trenching pits and diamond drilling, it appears to be a good ore to handle. No metallurgical tests have been made as yet, but there is little copper and it is expected that it will be as free a milling proposition as the Siscoe; indeed, there is great similarity in the ores of the two properties.

The shaft will be sunk to the 500 ft. level and four stations will be opened up. There will be 1,000 feet of lateral work on the 250 foot and 500 foot levels. If results on these two levels bear out surface expectations milling plant will be brought in during next winter. Sinking will begin before September 1. The shaft should be finished before 1934 and all the other work planned will be ready early in March. Enough information, it is reported, should be available as to ore quantities and qualities to make final decision as to character of mill and type of flow sheet in time to buy all necessary equipment.

Winter Handling Big Job

Then comes the big job of delivering mill machinery at Savant Lake on Canadian National Railways and of bringing in the large amount of material over winter roads. This freighting for more than 100 miles over two score lakes and portages is no mean job and much will depend on the strength of ice and the quality of winter. Last year was not a good year for freighting, although the N. A. M. E. group got delivery of complete mining machinery outfit in spite of treacherous ice conditions. With Central Patricia and Northern Aerial Gold both having hauled in mining machinery, experience of winter hauling has proved that a good thick sheet of ice can develop with not too great an overburden of snow.

Although values so far found justify a large expenditure of money in proving up these farthest north mines in Ontario, the work has undoubtedly been speeded by $30 gold. Without the premium recent increases in commodity prices would have been detrimental to financing even attractive prospects, like Northern Aerial Canada Gold's, N. A. M. E. group and the Central Patricia Mine.

Eldorado Ships Radium Abroad For Final Stage

Radium from the Great Bear Lake deposit of Eldorado Gold Mines is expected to be ready for delivery in the commercial form for medical use—sealed platinum needles—before many weeks, The Financial Post was officially informed. About one-half a gram, normally valued at about $30,000, has been shipped to England for final market preparation and testing for value. It had been expected that this final stage of preparation would be concluded in Canada, but difficulty was encountered in finding operators sufficiently skilled to undertake this phase of the operations.

In the July 1 edition of The Financial Post reference was made to the difficulties of this final stage of preparation, which it is expected will be ultimately overcome. In the meantime, however, the Eldorado Gold Mines is continuing with its processing of radium ore at its Port Hope refinery and it is expected that in future months it will witness a steadier output at costs nearer commercial rates.

MALARTIC FINDS HIGH GRADE ORE

Success Attends Initial Effort to Give Old Property Another Chance

Developments resumed at the Malartic property in Fourniere township, 25 miles north of Noranda, about three months ago are of a most encouraging nature, The Financial Post is officially informed.

The old No. 2 ore body was extensively prospected several years ago on the surface and partially developed on the 125-ft. level where it showed an average grade of about $14 in gold. No further work was done until recently when at a distance of 90 ft. from the main crosscut on the 250-ft. level it was again encountered. This confirms the estimated position of the ore body and has an important bearing on future development.

To Develop 375 Ft. Level

At the point where intersected the ore shows similar values and widths to those on the first level, and has the characteristic mineralization, geological and structural features which identify it as the continuation of the known ore body on the surface and the first level. The development appears important and a crosscut is now being driven to reach the estimated position of this ore body on the 375, the present bottom level of the mine.

J. P. Crerar, of Ottawa, is president of the reorganized company, the Canadian Malartic Gold Mines, and Andrew Waltz, M.E., is engineer in charge of operations.

Metal Prices

New York—August 8—
Copper: Electrolytic spot, 9c lb.
Silver: 36c.
London—August 8—
(Long Ton)—
Copper: Electrolytic spot, £41; future, £42.
Standard spot, £36 12s 6d; future, £36 17s 6d.
Tin: Spot, £214 15s; future, £214 17s 6d.
Lead: Spot, £12 5s; future, £12 10s.
Zinc: Spot, £16 12s 6d; future, £16 17s 6d.
Silver: 17 15-16d per ounce.
Gold: 124s 7½d.
Canada—August 8—
Gold: $29.77.

FALCONBRIDGE REPORT DEFIES INTERPRETATION

Net Profit Shown at Annual Rate of 32c Share; Unprecedented Costs

Showing earnings at the rate of 34 cents per share annually, the quarterly report of Falconbridge Nickel Co. for the three months ended June 30, 1933, evidences such a prosperous condition for this young producer as to excite interest in many mining quarters as to just how it is done, particularly at a time when International Nickel with its big low cost operations has been showing a loss.

With an ore deposit of such a low grade that it did not attract attention until the Lindsley interests formed the Falconbridge Nickel Co. and with relatively small scale operations having no appreciable sweetener of copper or precious metals and without any organized research or selling staff, such as is possessed by International Nickel, amazement is registered that an organization such as the Lindsley interests, who have been chiefly active in exploration and promotion, can make such remarkable operating showings in the face of such strong competition.

Profit $505,248

An analysis of the recent quarterly statement gives no enlightening details or clues as to the accounting methods, but by deduction it is apparent that the net profit of $505,248, after all reserves, reported for the six months period is more than the total costs.

In the six months period the company treated 104,514 tons of ore and produced 2,969,890 pounds of refined nickel, 1,164,737 pounds of copper and had a miscellaneous or non-operating income of $56,614. Based on the company selling its nickel at an average price of 28 cents per pound or some five cents under International Nickel's prices, and allowing seven cents per pound as the selling price of copper, the company's gross income would be about $968,145 for the six months period. Crediting the value of the copper production and the non-operating income would leave a net profit of about 12½ cents per pound for the nickel production. By deducting the indicated income from reported net profits, leaves a cost of $462,897 which is inclusive of all mining, concentrating, smelting, transportation, refining, marketing and overhead expenses as well as reserves for depreciation. Based on the tonnage reported as treated, this would indicate a total overall cost of about $4.50 per ton of ore. As this is considered unprecedented costs even for larger operations, the showing reported for Falconbridge is of special interest.

Ventures Ltd. owns about 48½ per cent interest and its allied company, Sudbury Basin Mines, owns about 37 per cent interest in Falconbridge, or together they own 85 per cent of the total outstanding capitalization.

The shares of Falconbridge have advanced from a low of 47 cents per share last year to a high of $4.55 per share in May and are at the present time selling at around $4 per share.

The following tabulation shows earnings and production of the past two quarterly periods.

	2nd qu. 1933	1st qu. 1933
	$	$
Gross oper. earn.	346,757	331,184
Add: Non-oper. rev.	40,360	16,254
	387,117	347,438
Less: Prov. for taxes	20,000	20,000
Deprec. & def. dev.	95,762	93,546
Net profit	271,355	233,892
Earnings per Share	$0.085	$0.073
Production:		
Tons smelted	58,720	45,794
Nickel in matte prod., lbs.	2,307,501	2,000,721
Copper in matte prod., lbs.	1,040,335	839,597
Ref. nickel prod., lbs.	1,530,874	1,439,016
Ref. copper prod., lbs.	610,385	554,352

Bunker Hill Extension Meeting May Be Stormy

An interesting session is envisioned at the meeting of Bunker Hill Extension Mines called for August 18 in Toronto, as opposing forces are gathering proxies.

Reports have been forwarded to the shareholders over the signature of W. J. Boland, president of the company, which state its present position and contemplated plans which include the distribution of its holdings of 350,000 shares of Toburn Gold Mines to Bunker Hill Extension Mines shareholders in the proportion of one Toburn for each ten shares of Bunker Hill Extension held.

Shareholders are being solicited for proxies by Doran Securities which states that it has reason to believe that professional operators are short of the Bunker Hill stock to a considerable extent and are in fact endeavoring to depress the shares with a view to covering their commitments at a profit. The Doran Securities also states that certain directors of the company now holding office have, in its opinion, not given such attention to the business as would warrant their future continuance in office and have sold much of their holdings. Faith is expressed in the efforts of W. J. Boland, K.C., the company's president whom they purport to support.

Holds 19 Per Cent Interest in Toburn

Bunker Hill has a capitalization of 2,000,000 shares, all of which are outstanding except 150,000. Its principal asset is 350,000 shares of Toburn Gold Mines, out of a total issued capitalization of 1,820,000 shares. The Toburn property is under development by the Premier Gold Mining Co. which owns close to 1,200,000 shares. Toburn's production in June amounted to approximately $60,000 with a net profit of approximately $30,000.

In addition, Bunker Hill Extension owns 31,500 shares of McVittie-Graham Mines.

The question of distributing the company's holdings in Toburn Gold Mines is to be submitted to shareholders at the meeting. According to Mr. Boland, directors of Toburn Gold Mines are objecting to the distribution of the shares by Bunker Hill Extension.

C. I. M. M. Branch Meeting in Rouyn

The Western Quebec branch of the Canadian Institute of Mining & Metallurgy at Noranda was addressed on August 9 by Dr. N. E. Wilson of the Geological Survey. His subject being "The Noranda Map Area." Dr. W. H. Emmons, director of the Geological Survey of Minnesota, discussed "The Relation of Ore Deposits to the Igneous Rocks."

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Value of B.C. Minerals $12,407,984 in First 6 Mths.

Provincial Mineralogist Outlines Promotional Pitfalls Facing Investors in New Mining Areas—Output on the Increase

The summary and review of the mineral industry of British Columbia for the six months ended June 30, 1933, by John D. Galloway, provincial mineralogist, reports the value of minerals in the period as being $12,407,984 as compared with $14,366,060 in the same period of 1932.

Both the lode gold and placer gold showed increased production as did the output of zinc, although the volume of the latter was less.

The following tabulation shows the production of the various minerals for the first six months' period in 1933 as compared with 1932:

Half Yearly Mineral Production

Mineral:	Quantity 1933	Quantity 1932	Value 1933	Value 1932
Gold, oz. (placer)	6,470	3,891	$110,000	$66,150
Gold, oz. (lode)	105,600	87,800	2,182,946	1,814,987
Silver, oz.	3,365,000	3,700,000	1,169,338	1,214,969
Copper, lbs.	17,000,000	28,700,000	1,137,300	1,899,108
Lead, lbs.	128,000,000	128,000,000	2,752,000	2,904,320
Zinc, lbs.	64,000,000	68,500,000	1,830,400	1,607,010
Coal (long tons)	592,000	808,200	2,516,000	3,636,900

In his report Mr. Galloway commented on the general situation as follows:

"Mining is one of the bright spots in industry in British Columbia at the present time. Commencing more than a year ago, renewed activity in gold mining preceded the general improvement in conditions now apparent in several quarters. As a result of this activity, at least 1,000 more men are employed in mining than at this time a year ago. Now, improvement in silver, lead and zinc prices and the more optimistic feeling prevailing are causing metal mining generally to show recovery from the depression.

Encouraging Signs

"Other encouraging signs were the recent announcements by Consolidated Mining & Smelting Co. at Trail of a five per cent increase in wages and an announcement by Granby Mining, Smelting & Power Co. of a ten per cent increase effective July 1.

"The most active gold camps have been in the Bridge River area, Nelson division and in the Cariboo district. In the Bridge River the success attending skilled geological reasoning followed by successful development work has placed the Bralorne Mine among the leading gold mines of the province with an assured life of several years and many interesting probabilities and possibilities yet to be explored. In the Nelson division successful development at the Reno has resulted in adjoining properties and others in the general area receiving attention, with certain interesting and encouraging results. In the Cariboo district many operations are proceeding but no outstanding results are yet reported, except the one producing mine, Cariboo Gold Quartz. Results at this property are fully up to expectations and now that the company is amply financed for intensive development further important ore disclosures are expected by the end of the year. Other operations in the area have not yet had time to carry out much work, but a thorough appraisal of the lode-gold potentialities of the Cariboo district will be carried out in the near future.

"Fashionable" Areas Exploited

"The extreme activity in gold mining assures that many meritorious prospects which have remained dormant for years will be adequately explored and developed. Areas of potential gold mineralization are being intensively prospected. Several additional gold mines should result from the favorable developments now proceeding. In 1932 forty companies were formed to develop gold properties. This accelerated pace of company promotion is useful to the province only if the efforts are intelligently directed. Evidence accumulates, however, to show that many companies are being promoted to acquire properties in 'fashionable areas' which have no possible present or prospective value. These properties represent ground hastily located in order to form a basis of quick sale or promotion.

"Under the operation of the 'Securities Act' the public is assured that a reasonable proportion of the money raised in initial stock selling goes to the treasury of the company, but the time would seem to be opportune to consider whether some further protection for the public is desirable. It is urged by some that a public promotion should not be allowed based on ground without appreciable showing or development. Such properties would first be developed by private syndicates and on the report of a qualified engineer that certain possibilities existed, then the public promotion would be allowed. This plan would, of course, be open to certain arguments against it and many widely divergent opinions are held. Under any laws or regulations the public will always lose unless they 'investigate before they invest.' At the present time a rather pathetic condition exists in several companies with handsome treasuries and no properties with showings on which a reputable engineer can advise developments. In certain instances the stocks of companies in this category are being traded on the curb market at prices in advance of initial offering and it is a certainty that many losses will occur to the public. As there are plenty of prospects in the province with at least some evidence of mineralization it is hoped these companies will divert their expenditures to properties with possibilities.

Outlook Better

"In the present boom very few misstatements of facts are being sent out directly by mining companies, but the crop of rumors is legion. In so far as possible the department of mines is putting out reliable facts regarding the mining properties of the province, and the public is advised for their own good to make use of this information.

"The outlook for the last half of 1933 is far increased mineral production in nearly all lines, expanding employment and a general all round improvement in the industry. The years of depression have improved mining and metallurgical technique by lowering costs and the obtaining of higher efficiency. The industry is, therefore, in excellent condition to take advantage of improved markets and prices."

Model Oils Reports $47,224 Net Profit

Annual report of Model Oils, operating in the Turner Valley area of Alberta, shows an income from the sale of 44,366 barrels of crude naphtha of $107,975, for the fiscal year ended May 31, 1933, as compared with $149,325 in the previous fiscal year.

The net profit after taxes and depreciation was $47,224 as compared with $65,753 in the previous year. The balance sheet shows current assets of $54,225 and current liabilities of $1,789.

W. C. Fisher, managing director of the company, comments on the year's operations as reflecting the conservation programme in force, restricting the allowable gas flow from which the crude naphtha is extracted.

Quebec Mineral Output Increased Last Quarter

Mineral production by Quebec showed an improvement in the three months ended June 30 as compared with the first quarter ended March 31. Gold production is up slightly, while silver increased by 31 per cent, copper by 25 per cent and asbestos by 37 per cent.

The following tabulation gives comparative figures for the two quarterly periods under review:

QUEBEC MINERAL OUTPUT 1933

	1st quar.	2nd quar.
Gold, oz.	89,067	89,459
Silver, oz.	112,850	147,562
Copper, lbs.	14,947,265	18,761,764
Asbestos, tons	20,369	31,744

Seven Troughs in Nevada in Throes of Reorganization

Investors in Seven Troughs Gold Mines Co., largely promoted in Canada in 1928 by Stobie Forlong & Co. at $1.25 per share, will find little to console them in the action taken August 5 to finance further this old property, which first came into prominence early in the present century.

The story of the promotional activity in an attempt to bring this property into profitable production is the story of one reorganization after another. Senator L. A. Friedman, who lives at Lovelock, Nevada, the nearest railway point to serve the mine's property, has been the company's chief sponsor. In 1919 a number of properties were consolidated after successive failures into the Seven Troughs Collation Mining Co. In 1921 it was reorganized as the Seven Troughs Reorganized Mines Co. In 1924 the name was changed to the Seven Troughs Gold Mines Co., originally incorporated with 4,000,000 shares. This was later increased to 6,000,000 shares and still later $225,000 in mortgage bonds issued. When the end of the financing was reached without profitable production being reached the Nevada State Gold Mines Co. was organized as the succeeding company and another bond issue floated. Now comes the news that further financing has been arranged through F. L. Hewitt of San Francisco and another capital reorganization is under way. This time the $7,500,000 capitalization in $5 shares is to be converted into 3,000,000 shares of $1 par value and 500,000 shares of first preferred stock and 500,000 shares of second preferred stock of $1 each.

Wainwright Oilfield Will Be Drilled

A report from Edmonton states that W. H. Wright, vice-president of Wright-Hargreaves Mines, also Lake Shore Mines, is interested in a syndicate that has purchased 10,000 acres in the Fabyan-Wainwright oil fields of Alberta for a price said to be over $100,000. An extensive drilling programme is planned.

Additional Mining News on page 13 this week

Review Your Holdings
Now is an opportune time to check over your list of mining securities with the idea of strengthening your holdings, having regard for current developments. You will find our Statistical Department willing to analyze your list and make constructive suggestions along these lines.
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"More Gold!"
Gold Bullion to the standard value of 47 million dollars, or 53 million dollars in Canadian Funds, was produced by the Mines of Ontario in 1932. This is a record annual output, being an increase of 4 Million Dollars in standard value over the output for 1931.
Ontario Gold Mines have paid dividends to the end of 1932 amounting to $135,104,303. Dividends for 1932 amounted to $16,015,018.
Ontario Department of Mines
HON. CHARLES McCREA,
Minister of Mines